PROFESSIONAL SERVICES AGREEMENT

City Manager’s Office
701 Laurel St., Menlo Park, CA 94025
tel 650-330-6620

AGREEMENT FOR SERVICES BETWEEN
THE CITY OF MENLO PARK AND ASSOCIATED RIGHT OF WAY SERVICES, INC.

THIS AGREEMENT made and entered into at Menlo Park, California, this 7
May 2019, day of 2019, by and between the CITY OF MENLO PARK, a Municipal
Corporation, hereinafter referred to as "CITY," and ASSOCIATED RIGHT OF WAY SERVICES, INC.,
hereinafter referred to as "FIRST PARTY."

WITNESSETH:

WHEREAS, CITY desires to retain FIRST PARTY to provide certain professional services for CITY in
connection with that certain project called: Property Acquisition Services

WHEREAS, FIRST PARTY is licensed to perform said services and desires to and does hereby
undertake to perform said services.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, PROMISES AND
CONDITIONS of each of the parties hereto, it is hereby agreed as follows:

1. SCOPE OF WORK

   In consideration of the payment by CITY to FIRST PARTY, as hereinafter provided, FIRST PARTY
   agrees to perform all the services as set forth in Exhibit "A," Scope of Services.

2. SCHEDULE FOR WORK

   FIRST PARTY’s proposed schedule for the various services required pursuant to this agreement will
   be as set forth in Exhibit "A," Scope of Services. CITY will be kept informed as to the progress of work
   by written reports, to be submitted monthly or as otherwise required in Exhibit "A." Neither party shall
   hold the other responsible for damages or delay in performance caused by acts of God, strikes,
   lockouts, accidents or other events beyond the control of the other, or the other’s employees and
   agents.

   FIRST PARTY shall commence work immediately upon receipt of a "Notice to Proceed" from CITY.
   The "Notice to Proceed" date shall be considered the "effective date" of the agreement, as used
   herein, except as otherwise specifically defined. FIRST PARTY shall complete all the work and deliver
to CITY all project related files, records, and materials within one month after completion of all of
FIRST PARTY’s activities required under this agreement.

3. PROSECUTION OF WORK

   FIRST PARTY will employ a sufficient staff to prosecute the work diligently and continuously and will
   complete the work in accordance with the schedule of work approved by the CITY. (See Exhibit "A,"
   Scope of Services).

Agreement #: 002 6 55
4. COMPENSATION AND PAYMENT

A. CITY shall pay FIRST PARTY an all-inclusive fee that shall not exceed $20,000 as described in Exhibit "A," Scope of Services. All payments shall be inclusive of all indirect and direct charges to the Project incurred by FIRST PARTY. The CITY reserves the right to withhold payment if the City determines that the quantity or quality of the work performed is unacceptable.

B. FIRST PARTY’s fee for the services as set forth herein shall be considered as full compensation for all indirect and direct personnel, materials, supplies and equipment, and services incurred by FIRST PARTY and used in carrying out or completing the work.

C. Payments shall be monthly for the invoice amount or such other amount as approved by CITY. As each payment is due, the FIRST PARTY shall submit a statement describing the services performed to CITY. This statement shall include, at a minimum, the project title, agreement number, the title(s) of personnel performing work, hours spent, payment rate, and a listing of all reimbursable costs. CITY shall have the discretion to approve the invoice and the work completed statement. Payment shall be for the invoice amount or such other amount as approved by CITY.

D. Payments are due upon receipt of written invoices. CITY shall have the right to receive, upon request, documentation substantiating charges billed to CITY. CITY shall have the right to perform an audit of the FIRST PARTY’s relevant records pertaining to the charges.

5. EQUAL EMPLOYMENT OPPORTUNITY

A. FIRST PARTY, with regard to the work performed by it under this agreement shall not discriminate on the grounds of race, religion, color, national origin, sex, handicap, marital status or age in the retention of sub-consultants, including procurement of materials and leases of equipment.

B. FIRST PARTY shall take affirmative action to insure that employees and applicants for employment are treated without regard to their race, color, religion, sex, national origin, marital status or handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training including apprenticeship.

C. FIRST PARTY shall post in prominent places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

D. FIRST PARTY shall state that all qualified applications will receive consideration for employment without regard to race, color, religion, sex, national origin, marital status or handicap.

E. FIRST PARTY shall comply with Title VI of the Civil Rights Act of 1964 and shall provide such reports as may be required to carry out the intent of this section.

F. FIRST PARTY shall incorporate the foregoing requirements of this section in FIRST PARTY’s agreement with all sub-consultants.

6. ASSIGNMENT OF AGREEMENT AND TRANSFER OF INTEREST

A. FIRST PARTY shall not assign this agreement, and shall not transfer any interest in the same (whether by assignment or novation), without prior written consent of the CITY thereto, provided, however, that claims for money due or to become due to the FIRST PARTY from the CITY under this agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of an intended assignment or transfer shall be furnished promptly to the CITY.

B. In the event there is a change of more than 30 percent of the stock ownership or ownership in FIRST PARTY from the date of this agreement is executed, then CITY shall be notified before the date of said change of stock ownership or interest and CITY shall have the right, in event of such change in stock ownership or interest, to terminate this agreement upon notice to FIRST PARTY. In the event CITY is not notified of any such change in stock ownership or interest, then upon knowledge of same, it shall be deemed that CITY has terminated this agreement.
7. INDEPENDENT WORK CONTROL

It is expressly agreed that in the performance of the service necessary for compliance with this agreement, FIRST PARTY shall be and is an independent contractor and is not an agent or employee of CITY. FIRST PARTY has and shall retain the right to exercise full control and supervision of the services and full control over the employment, direction, compensation and discharge of all persons assisting FIRST PARTY in the performance of FIRST PARTY's services hereunder. FIRST PARTY shall be solely responsible for its own acts and those of its subordinates and employees.

8. CONSULTANT QUALIFICATIONS

It is expressly understood that FIRST PARTY is licensed and skilled in the professional calling necessary to perform the work agreed to be done by it under this agreement and CITY relies upon the skill of FIRST PARTY to do and perform said work in a skillful manner usual to the profession. The acceptance of FIRST PARTY's work by CITY does not operate as a release of FIRST PARTY from said understanding.

9. NOTICES

All notices hereby required under this agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid or by overnight courier service. Notices required to be given to CITY shall be addressed as follows:

Justin I. C. Murphy  
Public Works  
City of Menlo Park  
701 Laurel St.  
Menlo Park, CA 94025  
650-330-6740  
nmelgar@menlopark.org

Notices required to be given to FIRST PARTY shall be addressed as follows:

Larry Castellanos  
Associated Right of Way Services, Inc.  
2300 Contra Costa Blvd., Suite 525  
Pleasant Hill, CA 94523  
925-691-8500  
lcastellanos@arws.com

Provided that any party may change such address by notice, in writing, to the other party and thereafter notices shall be addressed and transmitted to the new address.

10. HOLD HARMLESS

The FIRST PARTY shall defend, indemnify and hold harmless the CITY, its subsidiary agencies, their officers, agents, employees and servants from all claims, suits or actions that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the FIRST PARTY brought for, or on account of, injuries to or death of any person or damage to property resulting from the performance of any work required by this agreement by FIRST PARTY, its officers, agents, employees and servants. Nothing herein shall be construed to require the FIRST PARTY to defend, indemnify or hold harmless the CITY, its subsidiary agencies, their officers, agents, employees and servants against any responsibility to liability in contravention of Section 2782.8 of the California Civil Code.
## 11. INSURANCE

A. **FIRST PARTY** shall not commence work under this agreement until all insurance required under this Section has been obtained and such insurance has been approved by the City, with certificates of insurance evidencing the required coverage.

B. There shall be a contractual liability endorsement extending the **FIRST PARTY**'s coverage to include the contractual liability assumed by the **FIRST PARTY** pursuant to this agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the CITY, at the address shown in Section 9, of any pending cancellation of the policy. **FIRST PARTY** shall notify CITY of any pending change to the policy. All certificates shall be filed with the City.

1. **Workers' compensation and employer's liability insurance:**
   The **FIRST PARTY** shall have in effect during the entire life of this agreement workers' compensation and Employer's Liability Insurance providing full statutory coverage. In signing this agreement, the **FIRST PARTY** makes the following certification, required by Section 3700 of the California Labor Code: "I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this agreement" (not required if the **FIRST PARTY** is a Sole Proprietor).

2. **Liability insurance:**
   The **FIRST PARTY** shall take out and maintain during the life of this agreement such Bodily Injury Liability and Property Damage Liability Insurance (Commercial General Liability Insurance) on an occurrence basis as shall protect it while performing work covered by this agreement from any and all claims for damages for bodily injury, including accidental death, as well as claims for property damage which may arise from the **FIRST PARTY**'s operations under this agreement, whether such operations be by **FIRST PARTY** or by any sub-consultant or by anyone directly or indirectly employed by either of them. The amounts of such insurance shall be not less than one million dollars ($1,000,000) per occurrence and one million dollars ($1,000,000) in aggregate, or one million dollars ($1,000,000) combined single limit bodily injury and property damage for each occurrence. **FIRST PARTY** shall provide the CITY with acceptable evidence of coverage, including a copy of all declarations of coverage exclusions. **FIRST PARTY** shall maintain Automobile Liability Insurance pursuant to this agreement in an amount of not less than one million dollars ($1,000,000) for each accident combined single limit or not less than one million dollars ($1,000,000) for any one (1) person, and one million dollars ($1,000,000) for any one (1) accident, and Three Hundred Thousand Dollars, ($300,000) property damage.

3. **Professional liability insurance:**
   **FIRST PARTY** shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions of **FIRST PARTY** pursuant to this agreement, in the amount of not less than one million dollars ($1,000,000) per claim and in the aggregate. Said professional liability insurance is to be kept in force for not less than one (1) year after completion of services described herein.

C. **CITY** and its subsidiary agencies, and their officers, agents, employees and servants shall be named as additional insured on any such policies of Commercial General Liability and Automobile Liability Insurance, (but not for the Professional Liability and workers' compensation), which shall also contain a provision that the insurance afforded thereby to the **CITY**, its subsidiary agencies, and their officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if the **CITY**. its subsidiary agencies and their officers and employees have other insurance against a loss covered by a policy, such other insurance shall be excess insurance only.

D. In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, **CITY**, at its option, may, notwithstanding any other provision of this agreement to the contrary, immediately declare a material breach of this agreement and suspend all further work pursuant to this agreement.

E. Before the execution of this agreement, any deductibles or self-insured retentions must be declared to and approved by **CITY**.
### 12. PAYMENT OF PERMITS/LICENSES

Contractor shall obtain any license, permit, or approval if necessary from any agency whatsoever for the work/services to be performed, at his/her own expense, before commencement of said work/services or forfeit any right to compensation under this agreement.

### 13. RESPONSIBILITY AND LIABILITY FOR SUB-CONSULTANTS AND/OR SUBCONTRACTORS

Approval of or by CITY shall not constitute nor be deemed a release of responsibility and liability of FIRST PARTY or its sub-consultants and/or subcontractors for the accuracy and competency of the designs, working drawings, specifications or other documents and work, nor shall its approval be deemed to be an assumption of such responsibility by CITY for any defect in the designs, working drawings, specifications or other documents prepared by FIRST PARTY or its sub-consultants and/or subcontractors.

### 14. OWNERSHIP OF WORK PRODUCT

Work products of FIRST PARTY for this project, which are delivered under this agreement or which are developed, produced and paid for under this agreement, shall become the property of CITY. The reuse of FIRST PARTY’s work products by City for purposes other than intended by this agreement shall be at no risk to FIRST PARTY.

### 15. REPRESENTATION OF WORK

Any and all representations of FIRST PARTY, in connection with the work performed or the information supplied, shall not apply to any other project or site, except the project described in Exhibit "A" or as otherwise specified in Exhibit "A."

### 16. TERMINATION OF AGREEMENT

A. CITY may give thirty (30) days written notice to FIRST PARTY, terminating this agreement in whole or in part at any time, either for CITY's convenience or because of the failure of FIRST PARTY to fulfill its contractual obligations or because of FIRST PARTY's change of its assigned personnel on the project without prior CITY approval. Upon receipt of such notice, FIRST PARTY shall:
   1. Immediately discontinue all services affected (unless the notice directs otherwise); and
   2. Deliver to the CITY all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated or produced by FIRST PARTY in performing work under this agreement, whether completed or in process.

B. If termination is for the convenience of CITY, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.

C. If the termination is due to the failure of FIRST PARTY to fulfill its agreement, CITY may take over the work and prosecute the same to completion by agreement or otherwise. In such case, FIRST PARTY shall be liable to CITY for any reasonable additional cost occasioned to the CITY thereby.

D. If, after notice of termination for failure to fulfill agreement obligations, it is determined that FIRST PARTY had not so failed, the termination shall be deemed to have been effected for the convenience of the CITY. In such event, adjustment in the contract price shall be made as provided in Paragraph B of this Section.

E. The rights and remedies of the CITY provided in this Section are in addition to any other rights and remedies provided by law or under this agreement.

F. Subject to the foregoing provisions, the CITY shall pay FIRST PARTY for services performed and expenses incurred through the termination date.
17. INSPECTION OF WORK

It is FIRST PARTY's obligation to make the work product available for CITY's inspections and periodic reviews upon request by CITY.

18. COMPLIANCE WITH LAWS

It shall be the responsibility of FIRST PARTY to comply with all State and Federal Laws applicable to the work and services provided pursuant to this agreement, including but not limited to compliance with prevailing wage laws, if applicable.

19. BREACH OF AGREEMENT

A. This agreement is governed by applicable federal and state statutes and regulations. Any material deviation by FIRST PARTY for any reason from the requirements thereof, or from any other provision of this agreement, shall constitute a breach of this agreement and may be cause for termination at the election of the CITY.

B. The CITY reserves the right to waive any and all breaches of this agreement, and any such waiver shall not be deemed a waiver of any previous or subsequent breaches. In the event the CITY chooses to waive a particular breach of this agreement, it may condition same on payment by FIRST PARTY of actual damages occasioned by such breach of agreement.

20. SEVERABILITY

The provisions of this agreement are severable. If any portion of this agreement is held invalid by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect unless amended or modified by the mutual consent of the parties.

21. CAPTIONS

The captions of this agreement are for convenience and reference only and shall not define, explain, modify, limit, exemplify, or aid in the interpretation, construction, or meaning of any provisions of this agreement.

22. LITIGATION OR ARBITRATION

In the event that suit or arbitration is brought to enforce the terms of this agreement, the prevailing party shall be entitled to litigation costs and reasonable attorneys' fees. The Dispute Resolution provisions are set forth on Exhibit "B," 'Dispute Resolution' attached hereto and by this reference incorporated herein.

23. RETENTION OF RECORDS

Contractor shall maintain all required records for three years after the City makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the City, a federal agency, and the state of California.

24. TERM OF AGREEMENT

This agreement shall remain in effect for the period of April 29, 2019 through June 30, 2020 unless extended, amended, or terminated in writing by CITY.
25. **ENTIRE AGREEMENT**

This document constitutes the sole agreement of the parties hereto relating to said project and states the rights, duties, and obligations of each party as of the document's date. Any prior agreement, promises, negotiations, or representations between parties not expressly stated in this document are not binding. All modifications, amendments, or waivers of the terms of this agreement must be in writing and signed by the appropriate representatives of the parties to this agreement.

26. **STATEMENT OF ECONOMIC INTEREST**

Consultants, as defined by Section 18701 of the Regulations of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations, are required to file a Statement of Economic Interests with 30 days of approval of a contract services agreement with the City of its subdivisions, on an annual basis thereafter during the term of the contract, and within 30 days of completion of the contract.

Based upon review of the Consultant’s Scope of Work and determination by the City Manager, it is determined that Consultant IS NOT required to file a Statement of Economic Interest. A statement of Economic Interest shall be filed with the City Clerk’s office no later than 30 days after the execution of the agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

**FOR FIRST PARTY:**

Signature: Larry Castellanos
Printed name: Larry Castellanos
Tax ID#: 94-3096127

**APPROVED AS TO FORM:**

William L. McClure, City Attorney

**FOR CITY OF MENLO PARK:**

Justin L. Murphy, Public Works Director

ATTEST:

Judi A. Herren, City Clerk
## A1. SCOPE OF WORK

FIRST PARTY agrees to provide consultant services for CITY’s Public Works. In the event of any discrepancy between any of the terms of the FIRST PARTY’s proposal and those of this agreement, the version most favorable to the CITY shall prevail. FIRST PARTY shall provide the following services:

Provide consultant services set forth in Exhibit A-1, attached hereto.

FIRST PARTY agrees to perform these services as directed by the CITY in accordance with the standards of its profession and CITY’s satisfaction.

## A2. COMPENSATION

CITY shall pay FIRST PARTY an all-inclusive fee of $20,000 as described in Exhibit "A," Scope of Services. All payments, shall be inclusive of all indirect and direct charges to the Project incurred by FIRST PARTY. The CITY reserves the right to withhold payment if the City determines that the quantity or quality of the work performed is unacceptable.

FIRST PARTY’s fee for the services as set forth herein shall be considered as full compensation for all indirect and direct personnel, materials, supplies and equipment, and services incurred by FIRST PARTY and used in carrying out or completing the work.

Payments shall be monthly for the invoice amount or such other amount as approved by CITY. As each payment is due, the FIRST PARTY shall submit a statement describing the services performed to CITY. This statement shall include, at a minimum, the project title, agreement number, the title(s) of personnel performing work, hours spent, payment rate, and a listing of all reimbursable costs. CITY shall have the discretion to approve the invoice and the work completed statement. Payment shall be for the invoice amount or such other amount as approved by CITY.

Payments are due upon receipt of written invoices. CITY shall have the right to receive, upon request, documentation substantiating charges billed to CITY. CITY shall have the right to perform an audit of the FIRST PARTY’s relevant records pertaining to the charges.

## A3. SCHEDULE OF WORK

FIRST PARTY’S proposed schedule for the various services required will be set forth in Exhibit A-1.

## A4. CHANGES IN WORK -- EXTRA WORK

In addition to services described in Section A1, the parties may from time to time agree in writing that FIRST PARTY, for additional compensation, shall perform additional services including but not limited to:

- Change in the services because of changes in scope of the work.
- Additional tasks not specified herein as required by the CITY.

The CITY and FIRST PARTY shall agree in writing to any changes in compensation and/or changes in FIRST PARTY’s services before the commencement of any work. If FIRST PARTY deems work he/she has been directed to perform is beyond the scope of this agreement and constitutes extra work, FIRST PARTY shall immediately inform the CITY in writing of the fact. The CITY shall make a determination as to whether such work is in fact beyond the scope of this agreement and constitutes extra work. In the event that the CITY determines that such work does constitute extra work, it shall provide compensation to the FIRST PARTY in accordance with an agreed cost that is fair and equitable. This cost will be mutually agreed upon by the CITY and FIRST PARTY. A supplemental agreement providing for such compensation for extra work shall be negotiated between the CITY and the FIRST PARTY. Such supplemental agreement shall be executed by the FIRST PARTY and may be approved by the City Manager upon recommendation of the Department Head.
**A5. BILLINGS**

FIRST PARTY's bills shall include the following information: A brief description of services performed, project title and the agreement number; the date the services were performed; the number of hours spent and by whom; the current contract amount; the current invoice amount; except as specifically authorized by CITY, FIRST PARTY shall not bill CITY for duplicate services performed by more than one person. In no event shall FIRST PARTY submit any billing for an amount in excess of the maximum amount of compensation provided in Section A2.

The expenses of any office, including furniture and equipment rental, supplies, salaries of employees, telephone calls, postage, advertising, and all other expenses incurred by FIRST PARTY in the performances of this agreement shall be incurred at the FIRST PARTY's discretion. Such expenses shall be FIRST PARTY's sole financial responsibility.
April 11, 2019

Morad Fakhrai  
Senior Project Manager  
City of Menlo Park  
City Hall - 1st Floor  
701 Laurel Street  
Menlo Park, CA 94025

Re: Middle Avenue Bicycle & Pedestrian Rail Crossing  
Right of Way Appraisal and Acquisition Services  
APN: 071-333-200 (Portion)

Dear Mr. Fakhrai:

Thank you for requesting a proposal from Associated Right of Way Services, Inc., (AR/WS) to provide right of way services to the City of Menlo Park (City) for the Middle Avenue Bicycle & Pedestrian Rail Crossing Project. Based on our discussion we are providing this revised proposal. We have reviewed the preliminary information provided. AR/WS services include appraisal and acquisition for a portion of APN: 071-333-200 located at 700 El Camino Real in Menlo Park.

We understand the primary preference is for a smaller partial acquisition of a portion of the subject property, as shown on Exhibit A (attached). However, the City has a second alternative that requires an approximately 52x336 foot portion of the property, shown in Exhibit B (attached). Our proposal is based on preliminary information provided by the City.

Feel free to contact me if you wish to discuss or if you have any questions.

Sincerely,

Larry Castellanos  
Vice President  
(925) 691-8500  
LCastellanos@arws.com
Scope of Work

Associated Right of Way Services, Inc. (AR/WS) will provide appraisal and property acquisition services for the City of Menlo Park (City) for the Middle Avenue Bicycle & Pedestrian Rail Crossing Project. As mentioned in our cover letter, we understand the City is creating a bike and pedestrian crossing to connect Alma Street to Middle Plaza in Menlo Park. The City has provided exhibits detailing the location of this project. We understand from project information available on the City’s website only an undercrossing is currently being considered. The primary preference is for smaller partial acquisition of the subject property, as shown in Exhibit A (attached), but that the City also has a second alternative that requires a larger approximately 52x336 foot partial acquisition of the subject property, shown in Exhibit B (attached).

The subject property is identified as:

<table>
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<tr>
<th>APN</th>
<th>Owner</th>
<th>Address</th>
</tr>
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<tbody>
<tr>
<td>071-333-200</td>
<td>Menlo Station Development</td>
<td>700 EL CAMINO REAL, MENLO PARK</td>
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</table>

Assumptions:

- The proposed acquisition will not cause damages to the remainder property
- The appraisal is for land and parking lot improvements only
- There are no federal funds or Caltrans involvement in this project
- Only local funds are being used on this project
- If a parking reconfiguration analysis and/or design is required this is considered an additional service

Appraisal Services

- Appraisal to be addressed and provided to City staff as directed.
- The initial appraisal budget does not include the time or expense of a damages analysis for properties that suffer a decrease in value due to the proposed acquisition and/or the construction of the project. The budget does not include a benefits study where benefits may or may not offset some or all the damages to a property. Should it be determined there are damages and/or benefits to properties, additional services will be billed on an hourly basis following a discussion with the City and amendment to our agreement. Dedication requirements or other circumstances may also require a need for additional sets of data, supplemental meetings, research, analysis and/or alternative conclusions.
- The appraisal will include the analysis of two alternatives for the approximate areas shown in Exhibits A and B, attached hereto.
- Appraisal to be prepared in accordance with California Eminent Domain Law; California Government Code Section 7260 et seq.; and the Uniform Standards of Professional Appraisal Practice requirements, except as jurisdictionally exempt.
- The owner or a designated representative will be invited by the appraiser to accompany him/her during the inspection of the property.
- Appraisal to be prepared in an Appraisal Report format in accordance with Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2.
- Appraisal is for the “Fair Market Value” of the property as per California Code of Civil Procedure, Section 1263.320.
- The market value of the property taken will not include any increase or decrease in the value of the property that is attributable to any of the following:
→ The project for which the property is taken;
→ The eminent domain proceeding in which the property is taken;
→ Any preliminary actions of the acquiring authority relating to the taking of the property.

- Appraiser will not give consideration to, nor include in their appraisal, any allowance for relocation benefits of personal property.
- If updated values are requested, appraisal services will be billed on an hourly basis in accordance with the AR/WS Fee Schedule. (Optional Service)
- If revisions are made to the property requirements during the appraisal process or upon completion of the report, appraisal time to address these revisions will be billed on an hourly basis in accordance with the AR/WS Fee Schedule. (Optional Service)
- Expert witness related services, including preparation for and appearances at depositions, court, arbitrations/mediations, hearings, and testimony will be billed on an hourly basis in accordance with the AR/WS Fee Schedule. (Optional Service)
- If properties are split or added, additional appraisal reports may be required. (Optional Service)

City Obligations (Appraisal)
- Adequate appraisal maps.
- Legal descriptions and plat maps.
- Design information and construction plans.
- Current title reports for each ownership.
- Legal opinions as necessary.
- Environmental reports.

Acquisition Services
- AR/WS to prepare acquisition documents. Said documents include, but are not limited to, offer letter, appraisal summary statement and summary of the basis for just compensation, summary statement pertaining to the acquisition of real property or an interest therein, purchase agreement, deed, public acquisition brochure. AR/WS will initiate and maintain individual acquisition files. All acquisition documents to receive City’s written approval as to form prior to use in the field.
- AR/WS will negotiate to acquire the acquisition area identified by City. We are assuming there will be negotiations with up to 1 property owner and no lessee. Currently the number of tenants is unknown. If quitclaim deeds or tenant’s consents are required this is an additional service.
- All discussions for the acquisition of property or an interest therein will be directed to result in the payment of just compensation.
- If settlement with owners and other required interests is reached pursuant to the City approved appraisal or City approved administrative settlement, AR/WS will prepare a Memorandum of Settlement for transmittal to City. If an administrative settlement appears to be prudent, AR/WS will prepare a settlement discussion memorandum reviewing the issues. This memorandum will require City written approval before implementation of any settlement agreement.
- AR/WS will make every reasonable effort to acquire property on behalf of the City expeditiously through agreement with its owner and to avoid litigation. This may necessitate greater levels of effort.
in the negotiations phase and, where appropriate, should continue after eminent domain has been initiated. City will provide ongoing feedback to AR/WS as to authorization for settlements.

- AR/WS will establish with City a process of coordinating escrow closings and reviewing escrow instructions. Where there are escrow closings, preparation of escrow instructions will be completed by title company. Approval of conditions of title and escrow instructions, including but not limited to, “subject to” title exceptions, will be done by City.
- If agreement with all owners and other required interests cannot be reached, AR/WS will advise City that negotiations have reached an impasse. The City will consider scheduling of an action in eminent domain including the required public necessity hearing. AR/WS will provide condemnation support as needed and requested, budget allowing.

**City Obligations (Acquisition)**

- Written approval of all acquisition documents in a timely manner.
- Direction as to administrative settlements, negotiating authority and condition of title acceptance.
- Providing any formats to be used by AR/WS on City’s behalf.
- Selection of title company.
- Review and approval of title company prepared escrow instructions including acceptable condition of title.

**Additional Work**

AR/WS will provide court and/or appeals related services, including but not limited to depositions, court appearances, arbitrations / mediations, hearings, testimony, and preparation for such activities, in connection with any service provided to the City. These services, if requested, are not included in the AR/WS Budget Estimate and would be billed at the applicable current AR/WS hourly rate in accordance with the Fee Schedule.
**Budget Estimate**  
**April 11, 2019**

### Confidential for CLIENT Use Only

### Estimate Valid for 30 Days After Submission

**Client:** City of Menlo Park  
**Project:** Middle Avenue Bicycle & Pedestrian Rail Crossing Project

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<th>Scope of Services</th>
<th>Estimated Budget</th>
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| 1. Appraisal Services  
* (Lump Sum) | Appraisal services for a portion of the subject property. Appraisal will consider two design alternatives. | $6,500 |
| 2. Acquisition Services  
* (Time Charged) | Negotiations with 1 property owner. Escrow Monitoring. Condemnation Assistance. | $8,500 |

**Estimated Budget Total:** $15,000

**Start Requirements:** Agreement for Professional Services *(signed contract)* – Notice to Proceed.

**Ending:**

- A. Submittal of appraisal report.
- B. Negotiations are concluded upon delivery of Memorandum of Settlement to Client or advisory from AR/WS to Client that negotiations have reached an impasse.

**NOTES:**

1. Figures are based on information provided to AR/WS as of the date of this estimate.
2. Assumes CEQA, and if necessary, NEPA compliance has been met.
3. Subject to AR/WS Assumptions and Limitations, contained herein.
4. The Budget has been prepared based upon a 9-month project duration. An extended or reduced project schedule may increase the estimated budget.
5. A 20% contingency is recommended but is not included in the above figures.
EXHIBIT “B” - DISPUTE RESOLUTION

B1.0 All claims, disputes and other matters in question between the FIRST PARTY and CITY arising out of, or relating to, the contract documents or the breach thereof, shall be resolved as follows:

B2.0 Mediation
B2.1 The parties shall attempt in good faith first to mediate such dispute and use their best efforts to reach agreement on the matters in dispute. After a written demand for non-binding mediation, which shall specify in detail the facts of the dispute, and within ten (10) days from the date of delivery of the demand, the matter shall be submitted to a mutually agreeable mediator. The Mediator shall hear the matter and provide an informal opinion and advice, none of which shall be binding upon the parties, but is expected by the parties to help resolve the dispute. Said informal opinion and advice shall be submitted to the parties within twenty (20) days following written demand for mediation. The Mediator’s fee shall be shared equally by the parties. If the dispute has not been resolved, the matter shall be submitted to arbitration in accordance with Paragraph B3.1.

B3.0 Arbitration
B3.1 Any dispute between the parties that is to be resolved by arbitration as provided in Paragraph B2.1 shall be settled and decided by arbitration conducted by the American Arbitration Association in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, as then in effect, except as provided below. Any such arbitration shall be held before three arbitrators who shall be selected by mutual agreement of the parties; if agreement is not reached on the selection of the arbitrators within fifteen (15) days, then such arbitrator(s) shall be appointed by the presiding Judge of the court of jurisdiction of the agreement.

B3.2 The provisions of the Construction Industry Arbitration Rules of the American Arbitration Association shall apply and govern such arbitration, subject, however to the following:

B3.3 Any demand for arbitration shall be writing and must be made within a reasonable time after the claim, dispute or other matter in question as arisen. In no event shall the demand for arbitration be made after the date that institution of legal or equitable proceedings based on such claim, dispute or other matter would be barred by the applicable statute of limitations.

B3.4 The arbitrator or arbitrators appointed must be former or retired judges, or attorneys at law with last ten (10) years’ experience in construction litigation.

B3.5 All proceedings involving the parties shall be reported by a certified shorthand court reporter, and written transcripts of the proceedings shall be prepared and made available to the parties.

B3.6 The arbitrator or arbitrators must be made within and provide to the parties factual findings and the reasons on which the decisions of the arbitrator or arbitrators is based.

B3.7 Final decision by the arbitrator or arbitrators must be made within ninety (90) days from the date of the arbitration proceedings are initiated.

B3.8 The prevailing party shall be awarded reasonable attorneys’ fees, expert and non-expert witness costs and expenses, and other costs and expenses incurred in connection with the arbitration, unless the arbitrator or arbitrators for good cause determine otherwise.

B3.9 Costs and fees of the arbitrator or arbitrators shall be borne by the non-prevailing party, unless the arbitrator or arbitrators for good cause determine otherwise.

B3.10 The award or decision of the arbitrator or arbitrators, which may include equitable relief, shall be final, and judgment may be entered on it in accordance with applicable law in any court having jurisdiction over the matter.