

HUERFANO COUNTY, COLORADO

AGREEMENT

PROFESSIONAL SERVICES

THIS AGREEMENT made effective as of the 1ST day of JANUARY 2024, by and between the Huerfano County Assessor, located at 401 Main Street, Suite 205, Walsenburg CO 81089, hereinafter referred to as the "County" and ValueWest, Inc. located at 5125 S. Kipling Parkway, Littleton, CO 80127 , hereinafter referred to as the "Consultant"

The County and the Consultant for the consideration hereinafter set forth agree as follows:

SECTION I - SERVICES OF THE CONSULTANT

The Consultant shall serve as the County's consultant and shall provide as a minimum all of the professional services which are described in Exhibit A attached hereto, the ValueWest Proposal incorporated by reference herein.

SECTION II- INSURANCE REQUIREMENTS

Within ten (10) days from the execution of this Contract by the County and throughout the term hereof, Consultant shall hold and provide the County certification and proof thereof of current professional liability insurance in the minimum amount of \$1,000,000 Dollars. If requested by the County, Consultant shall also provide the County with proof of Worker's Compensation Insurance and general liability insurance in the amount of at least One Hundred Fifty Thousand Dollars (\$150,000.00) per person and (\$600,000.00) Six Hundred Thousand Dollars per incident.

SECTION III - TERM

Unless terminated earlier as provided in Section X, the term of this Contract shall be from January 1, 2024 Through December 31, 2024.

The County at its sole option, may offer to extend this Contract for up to three additional one-year terms subject to mutually agreed upon price changes. The extension option may be exercised provided satisfactory service is given and all terms and conditions of the Contract have been fulfilled. Such extensions must be mutually agreed upon in writing, by and between the County and the Consultant, and approved by the Huerfano County Assessor.

SECTION IV - INDEPENDENT CONTRACTOR

The parties hereto acknowledge that Consultant is an independent contractor and that the County will not:

- i. require Consultant to work exclusively for the County;

ii. oversee the actual work or instruct Consultant as to how the work is to be performed except that Consultant's services will be consistent with generally accepted industry standards and the standards set forth in this Contract;

iii. pay compensation other than that stated in Section VII,

iv. combine its business operations in any way with Consultant's business, but instead both parties will maintain their own operations as separate and distinct;

v. provide any training or tools to Consultant;

vi. obtain, maintain or manage workers' compensation or unemployment compensation insurance for the employees of Consultant. Consultant must have in place on the effective date of this Contract and must maintain during the initial term or any extended term of this Contract workers' compensation insurance and unemployment compensation insurance covering each of its employees who provide any services to the County or related to this Contract. Consultant shall be solely responsible for managing and consistent with the indemnification provision in Section VIII will be solely liable for any damages or award and will defend and indemnify the County with regard to any occupational injury, claim or unemployment claim, appeal or related proceeding brought by or on behalf of any employee of Consultant. Consultant must provide proof reasonably satisfactory to the County and its insurers that Consultant has workers' compensation insurance consistent with the statutory requirements of Colorado law and unemployment compensation insurance policies in place providing the required coverage for Consultant's employees.

vii. pay or maintain any employee benefits for the employees of Consultant, including but not limited to, any employee withholdings or liability for taxes, FICA, Medicare or Medicaid, medical or disability insurance, vacation or leave, pension, unemployment insurance or workers' compensation insurance. Further, Consultant acknowledges that it is obligated to pay federal and state income tax on any monies paid pursuant to this Contract.

The Consultant warrants that it has not employed or retained any company or person, other than a bonafide employee working solely for it, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the Consultant, any commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the County will have the right to void this contract without further liability, or, in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

SECTION V -THE COUNTY'S RESPONSIBILITIES

A. Provide information as to its requirements for the project.

B. Give prompt notice to the Consultant whenever the County observes or otherwise becomes aware of any defect in the project.

C. Reasonably assist the Consultant in obtaining approval of all governmental authorities

having jurisdiction over the project and such approvals and consents from such other individuals or bodies as may be necessary for completion of the project.

- D. Furnish, or direct the Consultant to provide at the County's expense, necessary additional services.
- E. Provide information on a regular basis concerning commercial new construction and building permits.
- F. Maintain current sales data and sales confirmation systems on commercial sales.
- G. Identify new parcels, new construction and building permits to the consultant on a timely basis.

SECTION VI

MUTUAL UNDERSTANDINGS OF THE COUNTY AND THE CONSULTANT

- A. This Contract does not guarantee to the Consultant any work except as authorized in accordance with Section I above, nor does it create an exclusive contract for services.
- B. All of the services contemplated under this Contract are personal and shall not be assigned, sublet or transferred without the written consent of the County.
- C. Huerfano County is a Colorado public entity and all financial obligations extending beyond the current fiscal year are subject to funds being budgeted and appropriated therefore. Nothing in this agreement shall be deemed a waiver of the Colorado Governmental Immunity Act.
- D. The Consultant and any and all of its personnel utilized by the County under the terms of this Contract shall remain the agents and employees of the Consultant and are not, nor shall they become agents or employees of the County
- F. Ownership of documents.
 - (1) All tracings, plans, specifications, estimates, reports, data and miscellaneous items purported to contribute to the completeness of the project shall be delivered to and become the property of the County, upon County's request.
 - (2) Basic survey notes, charts, sketches, computations, and other data prepared hereunder shall be made available to the County, upon request, and become the property of the County.
 - (3) All data received hereunder shall be made a part of the County's permanent records and files and preserved therein for six (6) years per Colorado state statute.

SECTION VII - PAYMENT AND FEE SCHEDULE

It is understood and agreed by and between the parties hereto, that the County shall pay the Consultant for services furnished, and the Consultant shall accept 12 consecutive

payments of \$2,250 per month, full payment not to exceed \$28,200 for such services. Invoices shall be submitted by the Consultant to the County on a monthly basis for services performed and expenses incurred pursuant to this Contract during the prior month.

SECTION VIII - INDEMNITY AND HOLD HARMLESS PROVISION

Consultant hereby agrees to defend, save and hold harmless the County, or any of its departments, agencies, officers, elected officials or employees from all costs, damage, and liability incurred by any such parties and from any other damage, cost and liability to any person or property whatsoever, which is caused by an activity, condition or event arising out of the performance or nonperformance of any provision of this Contract by Consultant or its employees or agents and regardless of whether such claim, cost or liability would otherwise be covered by an insurer. Such costs shall include, in the event of legal action, court costs, expenses and reasonable attorneys' fees.

SECTION IX - CHARTER, LAWS AND ORDINANCES

The Consultant at all times, agrees to perform the services with due diligence and in a manner consistent with industry standards and to observe all Federal and State laws, and Resolutions and Ordinances of the local jurisdiction, and all rules and regulations which in any manner affect or govern the work under this Contract.

SECTION X -TERMINATION OF CONTRACT

A. TERMINATION OF CONTRACT FOR CONVENIENCE OF THE COUNTY

The County may terminate this Contract at any time by giving written notice to the Consultant of such termination within 15 calendar days of the date of notice and specifying the effective date thereof. If the Contract is terminated by the County; the County will pay the consultant for work accomplished up to the date of termination as follows: Total amount of the contract multiplied by the Billable Completion Percentage for the month of the termination according to Exhibit C – Billable Percent Complete.

Notwithstanding the above, the Consultant shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Contract by the Consultant and the County may withhold any payments to the Consultant for the purpose of setoff until such time as the exact amount of damages due the County from the Consultant is determined. Moreover, the provisions of Section VIII shall survive any termination of this Contract.

B. OWNERSHIP OF PARTIALLY COMPLETED WORK

All work accomplished by the Consultant prior to the date of such termination shall be recorded and tangible work documents and shall be transferred to and become the sole property of the County prior to payment for services rendered.

SECTION XI - CHANGE ORDERS OR EXTENSIONS

A. The County may, from time to time, require changes in the scope of the services of the Consultant to be performed herein. Such changes, including any increase or decrease in the amount of the Consultants compensation, must be mutually agreed upon in writing by the County and the Consultant. The Consultant shall be compensated for all authorized change in services, pursuant to the ValueWest Proposal or, if no provision exists pursuant to a Change Order.

B. The County may extend the time of completion of services to be performed by the Consultant. Such extensions must be mutually agreed upon in writing, by the County and the Consultant.

SECTION XII - EQUAL EMPLOYMENT OPPORTUNITY

A. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Consultant shall adhere to acceptable affirmative action guidelines in selecting employees and shall ensure that employees are treated equally during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, or apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices provided by the local public agency setting forth the provisions of this nondiscrimination clause.

B. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials

C. The Consultant agrees to comply with such rules, regulations or guidelines as the County, State or Federal agencies may issue to implement these requirements.

D. The Consultant shall be licensed as required by law.

SECTION XIII - SPECIAL CONDITIONS

The work to be performed under this Contract shall commence promptly after receipt of a fully executed copy of this agreement to the extent that the Consultant has been authorized to proceed by the County. The Contract Administrator for this contract shall be Elisha Meadows: Huerfano County Assessor.

SECTION XIV INSPECTIONS, REVIEWS AND AUDITS

A. During all phases of the work and services to be provided hereunder the Consultant agrees to permit duly authorized agents and employees of the County, to enter the

consultant offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places.

B. Consultant and its sub-consultants shall maintain all books, documents, papers, accounting records and other evidence pertaining to cost incurred and shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment, for inspection by Huerfano County and copies thereof shall be furnished if requested.

SECTION XV - REPRESENTATIONS AND WARRANTIES

Each party represents and warrants that it has the power and ability to enter into this Contract, to grant the rights granted herein and to perform the duties and obligations described herein

SECTION XVI - GENERAL CONDITIONS

A. Any notice this Contract requires must be written and delivered or sent by U.S. Certified mail, return receipt requested, to the parties at the address listed above.

B. If any term or provision of this Contract shall be adjudicated to be invalid, illegal or unenforceable, this Contract shall be deemed amended to delete therefrom the term or provision thus adjudicated to be invalid, illegal or unenforceable and the validity of the other terms and provisions of this Contract shall not be affected thereby.

C. This Contract may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same original instrument.

D. The terms and conditions of this Contract shall be construed, interpreted and enforced in accordance with the applicable laws of the State of Colorado. If any legal action is necessary to enforce the terms and conditions of this Contract, the parties agree that the jurisdiction and venue for bringing such action shall be in the appropriate court in Huerfano County, Colorado.

E. The parties agree that this Contract constitutes the entire Contract between the parties and supersedes any and all prior oral representations, promises, covenants, understandings and other agreements, if any, between the parties and their agents and may not be modified in any manner except by an instrument in writing executed by both parties.

F. No failure by either party to exercise any right it may have shall be deemed to be a waiver of that right or of the right to demand exact compliance with the terms of this Contract.

H. The parties to this Contract do not intend to benefit any person not a party to this Contract. No person or entity, other than the parties to this Contract shall have any right, legal or equitable, to enforce any provision of this Contract.

Attest: _____ Title Huerfano County Clerk
Clerk Name(printed)

Date _____

Elisha Meadows _____ Elisha Meadows, Huerfano County Assessor

Date 12-26-23

_____ Name of Commissioner

_____, Chairman Huerfano County Commissioner

Date _____

John Zimmerman _____ John Zimmerman, President, ValueWest, Inc.

Date 12/21/23

EXHIBIT A

SCOPE OF WORK AND SERVICES

Mass Appraisal and Support of Commercial Property Valuation for Assessment Purposes in Colorado

Client: Huerfano County Assessor

Service Provider: ValueWest, Inc.

BACKGROUND

ValueWest, Inc has been in business since 2002. Our firm specializes in Ad Valorem Mass Appraisal projects in Colorado with County Assessor's as our primary clients. ValueWest, Inc is incorporated in Colorado and has Licensed Colorado Certified General Appraisers in charge of its appraisal assignments. Our offices are located at 5125 South Kipling Parkway, Suite 301, Littleton CO 80127. We are in good standing with the Colorado Secretary of State's corporate filing office and we are adequately insured for Workmen' Compensation, Professional Liability, Auto and Office at levels above the requirements of our local government clients. Our Company is well respected around the State of Colorado and we are active in the Colorado Assessor's Association and the Colorado Association of Tax Appraisers and the International Association of Assessing Officers.

Our staff has extensive appraisal experience in multiple counties and states as well as related international valuation experience. We have worked for nearly half of the counties in Colorado at one point in time on a wide variety of projects including Commercial reappraisals, Residential Single Family reappraisals, Residential Condominiums reappraisals, Vacant Land reappraisals, Industrial Warehouse revaluations and many special projects for both state and local government agencies.

PURPOSE

Colorado requires each County Assessor to reappraise all Real Property in their respective county each odd numbered year to the June 30 of the previous year level of value. The State requires that the county revalue all property to its "Market Value" using data collected from a data collection period preceding the June 30 appraisal date. Our expertise and experience is valuable to Assessor's offices in completing this required task. The purpose of our relationship is to provide the County Assessor with a worry free, professional reappraisal done by qualified and experienced appraisers at a fair price that is competitive in comparison to the cost and overhead of full-time county employees.

The goal of a reappraisal project is to provide the taxpayers with estimates of value which achieve the necessary level of value and ensure the highest degree of uniformity and equity possible. A thoroughly planned and executed reappraisal is critical to the fairness of a reappraisal.

In Colorado, the State of Colorado audits the results of the reappraisal to make sure that the County is meeting the standards set forth by the State. The county must meet these standards, or they will be forced to reappraise at considerable expense. Our projects are designed and tested against the audit methods so that we know the results ahead of time and the Client meets the objective of passing the audit.

EXHIBIT A

SCOPE OF WORK TASKS AND LIMITATIONS

1. ValueWest will conduct physical reviews of all relevant qualified sales as recorded in the Assessor's database. Each inspection will include a record of the visit and a photograph will be added to the county computer system. The sales verifications gathered by the assessor staff will be reviewed and reconfirmed if necessary.
2. ValueWest will gather data related to the sales, rental and cost conditions in the county and how they affect or are related to the valuation of Commercial Property in the county. Sources for this information will be numerous and will include sales verification documents, income and expense questionnaires, advertisements, personal interviews and other measures of data collection as determined useful and necessary.
3. ValueWest will regularly review local, regional, state and national publications which may provide data which is helpful in setting and supporting fair valuations of commercial property.
4. ValueWest will review its development of stratifications of Commercial real property and will attempt to improve on the accuracy and equity of value by establishing optimal coding and identification of various value determinate characteristics.
5. ValueWest will establish value using the County Assessor computer systems and will supplement the valuation with a separate external income approach to value on most properties.
6. The project will include the following properties based on the State of Colorado Abstract Codes and Descriptions: Commercial and Industrial Vacant, Merchandising, Lodging, Offices, Recreational, Special Purpose, Warehouse, Commercial Mixed Use and Commercial Condominium Units
7. Notwithstanding item 6 the following specific specialized properties will be excluded from the project: Ski Areas and their related Land and Equipment, Golf Courses, Ranches and other primarily Agricultural property, Mobile Home Parks, Apartment Buildings, Sewage processing and handling, Guest Ranches, Water Reservoirs, Non-Real Property, Railroads, Grain Elevators, Feed Lots or any other unique (one of a kind) type property mentioned or not mentioned.
8. ValueWest will utilize commonly accepted and recommend practices in the performance of the work and will maintain professional standards as required by our licensure and associations with professional organizations and the State of Colorado Assessor Reference Library.
9. ValueWest will complete the work on a timely basis and will meet statutory deadlines that apply to the Scope of Work.
10. ValueWest will perform its assignment as a "Mass Appraisal" assignment based on acceptable mass appraisal practices and the Uniform Standards of Professional Appraisal Practice (USPAP) Standard 6. There is no inference that ValueWest will develop "approaches to value" as in Standards 1 & 2 of USPAP.
11. ValueWest will complete its assignment with calibration to "Actual Value", the Assessor's office will be responsible for lump sum reductions from "Actual Value" based on classification as defined by the Legislature.
12. ValueWest work will include meeting with taxpayers when necessary, handling protests and making valuation determinations regarding the "appraised actual values" throughout the May 1 through June 8 protest period as defined by the legislature.
13. ValueWest work will include continued defense of value through the County Board of

EXHIBIT A

- Equalization period up until August 5th as defined by Colorado law.
14. Upon mutual agreement and possible additional costs, ValueWest will adapt to the option of the "Extended Appeals" period and defend values through the "extended County Board of Equalization" period.
 15. ValueWest will perform all work based on Colorado Law in place at the time of execution of this contract. Legislative, Rule Making or Court ordered changes of procedure may result in additional costs.
 16. Effective on January 1st 2023, ValueWest will charge an additional hourly rate set forth in the "COST" section of this document for all work done on the following 'additional services'; 1. Protests not timely filed, 2. Abatement petitions, and 3. Appeals above the level of County Board of Equalization.

CONDITIONS

1. Assessor and County will agree to provide ValueWest continuous access to the Assessor's computer systems via remote access through VPN and RDP or some other similar technology such as "Logmein" or "Teamviewer."
2. Assessor agrees to provide a reasonable work environment if the ValueWest employee needs to be onsite in the County offices.
3. Assessor will be responsible to send out an income and expenses questionnaire form if necessary, as determined by the Consultant.
4. Assessor will be responsible for measurement, sketching and data input including new construction inventory as well as the identification and tracking thereof.
5. Assessor will maintain all records and information pertinent to the protest.
6. Assessor will set values of special use commercial properties associated with the gravel properties, oil and gas services properties and mixed use commercial properties that hold the physical characteristics of a ranch or residential property such as seasonal hunting lodges and other types of property specifically mentioned in item 7 of "Scope of Work Tasks and Limitations" in this document.
7. Assessor will assist in providing data as needed by the Consultant in an electronic format including read only access to the Assessor's "Snapshot", "Datamart", "Dataview" and or CAMA database.
8. Assessor will inform the consultant of all new construction once it has been added to the system and will give adequate time for valuation reviews on these properties.
9. Assessor will provide access to GIS parcel data, (including "SHP" files) GIS and Aerial photography applications and other tools used by members of their staff.

EXHIBIT A

COSTS

The Consultants fee for the Services Described in the "Scope of Work and Services" shall be \$27,000 per year. The County Assessor will be billed monthly \$2250 for 1/12th of the annual fee throughout the term of the contract.

In the 2025 calendar year the project shall be considered 90% complete for purposes of payment when the Notices of Value are mailed on May 1st. Completion will be considered 100% upon completion of Huerfano County Board of Equalization hearings on August 5 or sooner.

Payments shall be made within 30 days of billing date.

Subject to mutual agreement in writing, this agreement may be extended for up to 3 additional years contingent on County budgeting and appropriation of funding for the proposed annual cost.

All additional services specifically mentioned in this agreement shall be billed at a rate of \$80 USD/hour. The County will not be charged for the first 20 hours of these billable hours.