

CONTRACT FOR PROPERTY APPRAISAL

This contract for appraisal services is made by and between the Keith County Assessor on behalf of, and with the approval of, the Keith County Board of Commissioners; hereinafter referred to as "the County", and Tax Valuation LLC, 6001 S 58th St, Suite A, Lincoln, NE 68516, hereinafter referred to as "the Contractor".

GENERAL PROVISIONS

1. **Project Definition:** The Contractor agrees to execute a complete program for revaluation of certain properties within the confines of Keith County. The Contractor, the Subcontractor, its employees, or its agents, agree to perform their duties in accordance with Reg. 50-004 as set forth by the Nebraska Department of Revenue and required by the Property Tax Administrator. The Contractor shall begin the work to be performed within thirty (30) days after the execution of this contract. The Contractor shall do its best to complete its performance of this Contract on or before March 10, 2016.
2. **Price:** The County agrees to pay the Contractor the amount of \$9,000 for the 2016 pick-up work within Keith County.
3. **Payments:** Payment shall be made monthly until the work is completed.
4. **Contract Integrated:** Neither the Contractor nor the County shall have authority to change any provisions of this Contract without the written consent of the other party. The contract documents represent the entirety of the agreement between the parties and no other agreement shall be binding unless in writing and signed by the parties hereto and approved by the Property Tax Administrator.
5. **Assignment of Contract:** The Contractor shall not assign or transfer the Contract, or any interest therein, without first receiving written approval from the Assessor and the Property Tax Administrator.
6. **Subcontractor:** The parties agree that the Contractor may use a Subcontractor, to complete portions of the project. No Subcontractors shall be utilized on this project without first receiving written approval from the Assessor.

7. **Submission of Completed Work:** Periodically throughout the program, as appraisals are completed and finally checked by the Contractor's or Subcontractor's supervisor, the Contractor shall submit these to the Assessor for review.
8. **Insurance and Workmen's Compensation:** The Contractor shall carry automotive, public liability and workmen's compensation insurance in the following Property damage, \$500,000: Public Liability same as automotive; Workmen's Compensation Statutory. Proof of bond-ability is not required by the Keith County Board of Commissioners. Written proof of insurance from an insurance carrier shall be furnished to the County establishing the above coverage. The insurance provider for Tax Valuation Inc is Zimmer Insurance Agency. The Contractor agrees to comply with all federal, state and local laws, rules and regulations during the performance of this Contract.
9. **Indemnification:** The Contractor shall indemnify and hold harmless the County and its officers and employees from all claims, demands, payments, suits, actions, recoveries and judgments of every kind and description brought or recovered against it, by reason of any act or omission of the contractor, its agents or employees in the execution of the work.
10. **Compliance with other laws:** The Contractor is an equal opportunity employer and agree to comply with all state, federal and local laws and regulations related to performance of this contract.
11. **Interpretations and Specifications and Contract:** The Assessor will be the interpreter of the specifications and the Contract.
12. **Confidential Nature of Contract:** Disclosure of appraisal information to any individual, firm, or corporation, other than appropriate public officials, and their authorized agents, is expressly prohibited and, if done before approval of this project, will be considered a violation of this Contract.

II. Contract Specifications

13. Scope of Services: The services rendered by the Contractor and Subcontractor shall be to inspect and appraise at its actual (market) value, according to the constitution of the State of Nebraska, the following:

- A. Inspect the pick-up work parcels and measure all new improvements.
- B. New digital photos of each parcel.
- C. Adjust the quality and condition as necessary.
- D. Set new values for the parcels.

14. Performance of Services: The services provided pursuant to this contract will be performed as follows:

The Contractor will be responsible for the overall supervision of the services. The Contractor will be directly responsible for, as required, all land analysis including: a) vacant land sales review, b) review of square foot and lineal foot values, c) land value abstraction from all improved sales and d) setting the final land values. Additionally, the Contractor will be directly responsible for sales analysis including: a) sales roster review, b) validity of sales with Assessor, c) lineal regression studies for depreciation to effective age and d) total review to establish economic and physical depreciation.

15. Public Relations: During the progress of the work, the Contractor, their employees or agents will endeavor to promote understanding and amicable relations with the taxpayers and public. If used by the Contractor, newspaper articles and other publicity shall be presented for clearance to the Assessor before release. The Assessor shall cooperate in maintaining good public relations throughout the reappraisal project.

The employees or agents of the Assessor and the Contractor shall work together to maintain the full cooperation of all taxpayers by treating each inquiry with courtesy and supplying all possible necessary information to every interested taxpayer; however, each field appraiser/lister shall be instructed to refrain from discussing with the property owner, tenant, or occupant the possibility of any increase or decrease in the valuation of the real property and/or buildings, or make any mention of any possible existing discrepancies. Any discrepancy noted in the field shall be noted on the appraisal card and directed to the attention of the assessor or the supervisor in charge upon return to the office for investigation. This restriction will be strictly adhered to and any violation will be just cause for the Assessor to cancel the employee's appointment and remove him from the field.

16. Personnel: The Contractor shall submit the names, residence address, education and prior experience of each employee or agent of the Contractor for approval of the Assessor before field inspection work is started by the employee or agent.

The employees or agents of the Contractor shall be professional in manner, appearance and be trained in appraisal technique.

The Assessor may upon written notice to the Contractor's Chief Appraiser, remove from this project any person whose work is unsatisfactory to the Assessor. The contractor shall designate a qualified and responsible employee to supervise the operation of the Contractor's staff for the entire project. The individual designated as such shall make him or herself available to the Assessor for consultation throughout the project.

17. **Records, Computations to Become Property of County:** The original or suitable copy of all records and computations of the Contractor in respect to any appraisal of property in the County shall be left in the custody of the Assessor, as belonging to the County. This shall include if applicable, but not necessarily limited to: 1) land value maps; 2) materials and wage cost investigation and schedules; 3) field and office cards with property valuation data; 4) sales data; 5) rental schedules; 6) capitalization rate data; 7) land depth tables; 8) operating statements of income properties; 9) depreciation and obsolescence data and tables; 10) all written statements to the public or press groups or individuals concerning the nature of the project; 11) any letters or memorandum to individuals or groups explaining methods used in the appraisal; 12) all regression modeling data; 13) all data processing information pertaining to the project and all other information used in the program.
18. **Cooperation:** The Assessor and employees will cooperate with and render all reasonable assistance to the Contractor and their employees and agents. The extent of, and reasonableness of, such assistance shall be determined by the Assessor and the heads of the various departments from which assistance is requested. The assessor or employees of the Assessor may accompany the employees or agents of the Contractor at any time during the field inspection.
19. **Property Records:** The Assessor shall furnish property records. The Contractor and Assessor shall complete these records including all items of the information in connection with the construction, age, zoning condition, depreciation, outline sketch of all the improvements and buildings, land value computations, pricing data of each building, owner's name and address, assessment number, and shall be used to record all pertinent information relative to land and the total valuation of land and buildings. The Contractor or Subcontractor shall establish and maintain proper methods to store and transport all project data in a manner that will ensure minimal data loss in all cases.
20. **Manuals:** If necessary, the Contractor and Subcontractor must use the manuals presently prescribed by the Property Tax Administrator. The most current information available shall be used in arriving at the estimate of replacement cost in the cost approach. The manual shall be field tested in the County on structures of known cost to verify the appropriateness of its use.

21. **Development of Unit Costs:** The Contractor shall make a careful inspection of the construction costs in Keith County. Prices of materials in various quantities and qualities may be obtained from ~~local~~ materials dealers.

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Wage scales for various trades and classes of work may be investigated. These material and labor costs shall be as of January 1, 2016, comparing to the Marshall Swift Manuals.

After careful analysis of this data, the Contractor may develop analyzed unit costs that will be used to correct, adjust, or supplement the manual prescribed by the Property Tax Administrator.

22. **Residential & Commercial Valuation Schedules:** For the appraisal of residential & commercial properties, specifications shall be determined for the various qualities of construction and shall be designated. The parameters set forth in the manual prescribed by the Property Tax Administrator shall be used to determine construction classes.

23. **Improvements:** Physical inspection of the improvements will be made from the street only, except in those situations where the Contractor discovers new or additional improvements on the site. The Contractor will set the values based on the information on the property record cards.

24. **Land:** Land values will not be generated under this contract.

25. **Review of Properties:** A final review of the value estimates for the improved parcels shall be made upon completion of office computations by experienced and qualified Contractor employees.

The purpose of the final review will be to account and adjust for factors which may have a direct bearing on the market value and/or equitable relationship to other properties.

26. **Property Owner Notification and Review:** It will be the responsibility of the Assessor to notify the property owners of the Contractor's appraised values. This will be done after the completion of the work in the County and before the informal reviews at County offices to hear appeals after notice of appraised value has been mailed to the respective individuals. These notices must be mailed by first class mail at least 10 days prior to commencement of informal hearings. The Contractor will conduct the informal reviews. Contractor personnel will be available to conduct sufficient informal reviews with the public for a period of no less than two (2) days, 9 a.m. to 5 p.m., Monday through Friday, and a minimum of one (10 evening session, 7 p.m. to 9 p.m. through that period. These informal reviews shall be completed prior to June 30 of each calendar year of the contract. This service will be provided at a cost of one hundred twenty five dollars (\$125.00) per working hour, including travel time. This one hundred twenty-five dollar per hour fee will include mileage and food, but not motel expenses.

In the event that additional time is required to insure that each property owner will have equal opportunity to view and discuss his property values and to make comparison to that of his neighbor or any other like property, additional informal hearings with the property owners will be scheduled by appointment.

Necessary revisions to the appraisals shall be completed before June 30. If an adjustment is made, it shall be subject to approval of the Assessor. The property owner concerned must be notified of the changes and allowed a second hearing if desired. The record card must show both values. Taxpayers with large property holdings will be heard by individual appointments if they so desire.

- 27. Defense of Values:** The Contractor shall be available, upon request of the County, to appear at the hearings of the County Board of Equalization in July to assist in settlement of complains and to defend the values. This service will be provided at a cost of one hundred twenty five dollars (\$125.00) per working hour, including travel time. This one hundred twenty-five dollar per hour fee will include mileage and food, but not motel expenses.

In the event of appeal to the courts or Tax Equalization and Review Commission, the Contractor or agent may be present, if requested, at the hearings to testify as a witness, to outline the steps taken and give his opinion of the value of the property which has been or is the subject of appeal. This service is provided at a cost of one hundred twenty five dollars (\$125.00) per working hour, including preparation and travel time. This one hundred twenty-five dollar per hour fee will include mileage and food, but not motel expenses.

28. Instruction: The Contractor will acquaint the Assessor's staff in the use of the procedures, standards, and records used for making property appraisals in order that the assessing office will be in position to check the work as it progresses, and apply the same to new and altered properties in subsequent assessments.

- 29. Photos:** Digital photos will be the responsibility of the Contractor.

- 30. Compatibility:** The information, documentation, including but not limited to cost tables, depreciation tables, land valuation tables, M.R.A. tables, market valuation models, and ratio studies shall be completed on the Assessor's appraisal software or must be compatible with the Assessor's appraisal software.

- 31. Materials and Information Provided by County:**

A. Real Estate Assessment (PIN) numbering system.

B. Property sales for last two (2) years for residential property.

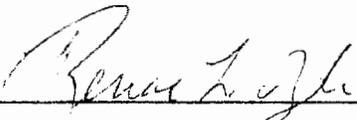
C. Street maps and individual property addresses.

D. County field record card or photocopy indicating

- 1) Lot Size
- 2) Property Address
- 3) Property owner of record
- 4) Building Sketch
- 5) Age of Structure (if known)

E. Remote computer connections for the Contractor.

F. Provide space and furniture for the Contractor.

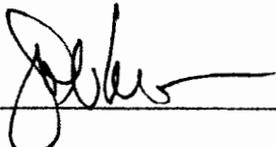


Keith County Assessor

2-17-16

Date

TAX VALUATIONS, INC

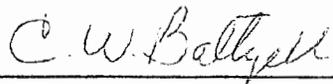
By: 

Contractor

2-19-16

Date

Keith County Board



Chairman

2-17-16

Date

Lorrie Pate

Member

2-17-2016

Date

WE O'Conn

Member

2/17/16

Date

~~Carroll Pate~~

Feb 17, 2016



Pete Ricketts
Governor

STATE OF NEBRASKA

DEPARTMENT OF REVENUE
PROPERTY ASSESSMENT DIVISION, Ruth A. Sorensen, Administrator
PO Box 98919 • Lincoln, Nebraska 68509-8919
Phone: 402-471-5984 • Fax 402-471-5993
revenue.nebraska.gov/PAD

February 29, 2016

RECEIVED

MAR - 2 2016

KEITH COUNTY
ASSESSOR

Renae Zink
Keith County Assessor
511 North Spruce, Room 200
Ogallala, NE 69153

Dear Ms. Zink,

The signed contract dated February 19, 2016 for appraisal services by and between Keith County and Tax Valuation, Inc. has been reviewed. The contract appears to meet all required sections of Title 350 Nebraska Administrative Code, Chapter 50 – Assessment Process Regulations, concerning contracts for reappraisal. *Please note for future contracts: to indicate if the nature of the contract does not require liquidated damages; also refer to the Tax Commissioner instead of the Property Tax Administrator as required by REG-50-004.07 (e.g. see sections 1, 4, 5, 20, 21, and 22). This is due to the Property Assessment Division merging with the Department of Revenue in 2007.*

Neb. Rev. Stat. § 77-1301.01 requires that a signed copy of the contract be approved by the Tax Commissioner. The contract is approved as to form and content. A copy of the contract will remain on file in this office as required by NAC Title 350, REG-50-004.07.

Thank you for your efforts in complying with Regulation 50. If you have any questions, please contact Mihdi Vahedi in the Department of Revenue, Property Assessment Division at 402-471-5864 or mihdi.vahedi@nebraska.gov.

For the Tax Commissioner

Sincerely,

Ruth A. Sorensen
Property Tax Administrator
ruth.sorensen@nebraska.gov
402-471-5962

cc: Joe Wilson, Tax Valuation, Inc.
Pat Albro, Field Liaison

RAS:mv