WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. §23-103, the powers of the County as a body are exercised by the County Board; and,

WHEREAS, proposals for Appraisal Services have been solicited and reviewed pursuant to applicable Nebraska State Statutes; and,

WHEREAS, this Board desires to proceed forthwith in order to expedite and facilitate service to the citizens of Sarpy County.

NOW, THEREFORE, be it resolved by this Board of County Commissioners that:

1. The proposal from Tax Valuation Inc. for the Appraisal Services - Commercial & Industrial for $125 per hour for 225 commercial parcels and $150 per hour for defense of values at Board of Equalization and Tax Equalization and Review Commission hearings, as attached, is accepted, ratified, and confirmed.

2. This Board’s Chairman, Clerk, and Attorney are hereby authorized and directed to execute such ancillary documents as may be required to evidence the contract and take any and all steps necessary or required in order to carry out the terms of such contract after said documents have been reviewed by the Attorney, Fiscal Administrator, and County Administrator.

The above Resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with applicable law on the 6th day of February, 2018.

Sarpy County Board Chairman

Attest:

County Clerk
MEMO

To: Sarpy County Board of Commissioners
From: Beth Garber
Re: Appraisal Services Agreement

On January 23, 2018, one (1) proposal was opened for Appraisal Services for the Assessor’s Office. Proposals were sent to five consultants. Staff typically calls and/or emails consultants prior to the bid opening to see if the companies plan on submitting a bid. This also provides an opportunity to address any concerns with the RFP. During the follow up, one consultant stated they would not submit a bid because we do not have their CAMA system and their appraisers only use their system. Another consultant simply stated they would not be submitting a bid.

It is recommended the County proceed forward with an agreement with Tax Valuation, Inc. The scope of work includes 225 commercial parcels. Tax Valuation, Inc. estimates this project will require 500 hours of work at $125 per hour, a total contract price of approximately $62,500. Per State regulations, Tax Valuation must also defend the values set before the Board of Equalization (BOE) and Tax Equalization and Review Commission (TERC) hearings. The proposed rate for this service is $150 per hour. At this time we are not able to estimate the number of hours needed for BOE or TERC.

Tax Valuation, Inc. is very familiar with the Nebraska requirements for appraisal services along with our computer-assisted mass appraisal (CAMA) software.

From a budgetary standpoint, roughly half of the $62,500 base bid for the 2018 calendar year would be paid out in the 2018 fiscal year. The funds would be available because a vacant position has not been filled thus far in the 2018 fiscal year. It should be understood that the position of Lead Commercial Appraiser is still being sought at a cost of $55,000 to $75,000 (not including fringe benefits). The intention of the Assessor’s Office is to fill this position if a qualified individual can be found, even if the appraisal consultant agreement is approved.

January 31, 2018

Beth Garber

cc: Deb Houghtaling
Dan Hoins
Scott Bovick
Brian Hanson
Dan Pittman
## Appraisal Services

### Appraisal Services Fees

<table>
<thead>
<tr>
<th>Description</th>
<th>Tax Valuation, Inc.</th>
</tr>
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<tbody>
<tr>
<td>Approximate Hours</td>
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<tr>
<td>Rate per Hour</td>
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<tr>
<td>Total Fee</td>
<td>$62,500.00</td>
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### Board of Equalization Fees

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<th>Description</th>
<th>Rate per Hour</th>
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<td>$150.00</td>
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**Proposal Opening:**

3:00 p.m., Tuesday December 15, 2018
CONTRACT FOR PROPERTY APPRAISAL

This contract for appraisal services is made by and between the Sarpy County Assessor on behalf of, and with the approval of, the Sarpy County Board of Commissioners; hereinafter referred to as “the County”, and Tax Valuation Inc, 6101 S 58th St, Suite D, Lincoln, NE 68516, hereinafter referred to as “the Contractor”.

I. GENERAL PROVISIONS

1. Project Definition: The Contractor agrees to execute a complete program for revaluation of certain properties within the confines of Sarpy 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 Tax Commissioner. The Contractor shall begin the work to be performed within ninety (90) days after the execution of this contract. The Contractor shall complete its performance of this Contract on or before November 1, 2018. Contractor duties to defend its resulting values if protests are filed with the County Board of Equalization or appeals are filed with the Tax Equalization and Review Commission (TERC) survive the termination of this contract. The Contractor will require any Subcontractor it uses to complete this program to comply with the same Reg. 50-004.

2. Price: The County agrees to pay the Contractor the amount of $125.00 per man hour for an estimated five hundred (500) man hours for 225 commercial parcels located in Sarpy County, Nebraska. The total price of the contract will be based on the total man hours to complete the work.

3. Payments: Payments shall be made on a monthly basis for work completed. The Contractor shall submit a description of the progress being made on each invoice submitted for payment. This description will be based on the number of man hours each month.

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 Tax Commissioner.

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 Tax Commissioner.

6. Submission of Completed Work: Periodically throughout the program, as appraisals are completed and finally checked by the Contractor’s supervisor, the Contractor shall submit these to the Assessor for review.
7. **Penalty:** Failure to complete the appraisal records and office records for the parcels included in this project by 11/01/2018, shall be cause for a penalty payment by the Contractor, at the discretion of the County, in an amount not to exceed One Thousand Dollars ($1,000) per county business day beyond the completion date. Such penalty shall be deducted from the Contract sum owed the Contractor. The Contractor shall not be liable for damages or penalty by reason of strike, explosion, war, fire, act of God, or any act or failure to act by Terra Scan, Automated Systems or officials of the County or State of Nebraska which might delay or stop progress of the work. Should work be delayed or stopped due to any of these contingencies, the Contractor and the County shall renegotiate a revised completion date.

8. **Insurance and Workmen’s Compensation:** The Contractor shall not begin work under this Contract until it has obtained all insurance coverages required under this section and such insurance has been approved by the County. The following insurance coverages shall be kept in force during the life of the Contract and shall be primary with respect to any insurance or self-insurance programs covering the County, its commissioners, officials, agents, representatives and employees.

A. **Workers’ Compensation and Employers Liability Insurance**
   The minimum acceptable limits shall be the statutory limits as required by the State of Nebraska for Coverage A, Workers’ Compensation and $500,000 for Coverage B, Employers Liability.

B. **Commercial General Liability Insurance**
   Coverage shall include liability coverage addressing premises and operations, contractual, independent contractors, and products/completed operations. The coverage must protect against claims for damages resulting from bodily injury, including death, personal injury and property damage. The minimum acceptable limits of liability shall be $1,000,000 each occurrence. If the coverage contains a general aggregate, such limit shall not be less than $2,000,000. The products/completed operations limit shall not be less than $2,000,000. The County is to be named as an additional insured on the insurance coverage required under this section.

C. **Automobile Liability Insurance**
   Coverage shall include liability coverage addressing claims for damages resulting from bodily injury, including death and property damage, which may arise from the operations of any owned, hired or non-owned automobile. The minimum acceptable limit of liability shall be $1,000,000 Combined Single Limit for each accident. The County is to be included as an additional insured on the insurance coverage required under this section.

D. **Professional Liability Insurance**
   Coverage shall be for wrongful acts, errors or omissions. The minimum acceptable limits of liability shall be $1,000,000 each occurrence.
E. Certificate of Insurance
The Contractor shall furnish the County with a certificate(s) of insurance evidencing the coverages required in this section. If the certificate(s) is shown to expire prior to completion of all the terms of this Agreement, the Contractor shall furnish a certificate(s) of insurance evidencing renewal of its coverage to the County. The Contractor shall require each and every Subcontractor performing work under this Contract to maintain the same coverages required of the Contractor in this section, and upon the request of the County, shall furnish the County with a certificate(s) of insurance evidencing the Subcontractor's insurance coverages required in this section.

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 agrees to comply with all state, federal and local laws and regulations related to performance of this contract.

11. Quality and Progress Control: If at any time during the contract period the quality and/or progress of the work shall not be satisfactory the County reserves the unilateral right to terminate the contract upon written notice to the Contractor. In the event the Contract is terminated, the County reserves the right to take possession of all completed work, work in progress, material, data and statistical analysis. The County shall be liable only for the reasonable value of the services rendered by the Contractor and Subcontractor prior to the date of the notice and in no event shall the sum be greater than the ratio of completed work to the whole project. Values shall be set at market value and the Contractor will strive to achieve a median assessment/sales ratio of between 92% and 100%, a Coefficient of Dispersion of 20% or less for commercial properties, and a Price Related Differential between .98 and 1.03 unless otherwise agreed upon between the Contractor and the Assessor.

12. Interpretations and Specifications and Contract: The Assessor will be the interpreter of the specifications and the Contract.

A. Services to be rendered by Vendor under this Agreement shall be all those services necessary and proper for the services of appraisal services, commercial and industrial, in conformity with each and every term, condition, specification, and requirements of the Bid Specifications and the Bid submitted by the Vendor.

B. All provisions of each document and item referred to in Paragraph A above shall be strictly complied with the same as if rewritten herein, and in the event of conflict among the provisions of said documents, the provisions most favorable to the County shall govern.
13. **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.

14. **Independent Contractor Representation:** The implementation of this agreement does not constitute a hiring by either party. It is therefore the intention of the parties that the Contractor shall maintain an independent contractor status and shall not be considered an employee for any purpose, including, but not limited to, the application of the Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, provisions of the Federal Internal Revenue Code, State Revenue and Taxations Code relating to income tax withholding, Workers' Compensation Insurance and other benefit payments and third party liability claims.

II. **Contract Specifications**

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

   A. 225 commercial parcels with occupancy codes of 306, 311, 313, 331, 336, 342, 343, 346, 381, 384, 386, 403, 405, 416, 426, 442, 482, 483, 490, 496, 497 and 594. The valuations shall use methods, forms, and manuals authorized by the Tax Commissioner and the Department of Property Assessment and Taxation.

16. **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 all land analysis, if required for the contract, 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, and c) total review to establish economic and physical depreciation, and d) validation of model displayed in the summary narrative.

17. **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.

18. **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. Contractor shall follow County security procedures as defined by the Assessor's Office.

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.

19. **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 be 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; and, 14) Contractor shall provide narrative on how the following are derived: income, expense, vacancy, and capitalization rates within each model. Additionally, the Contractor agrees to supply to the Assessor a copy of a narrative report detailing the valuation process by class of property that is compliant with Nebraska Department of Revenue Regulation 50-004.11 and compliant with USPAP.

20. **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.

21. **Property Records:** The Assessor shall furnish property records. The Contractor or Subcontractor 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, pricing data of each building, owner's name and address, assessment number, and shall be used to record all pertinent information relative to the total valuation of land and buildings. The Contractor 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.

22. **Manuals:** If necessary, the Contractor must use the manuals presently prescribed by the Tax Commissioner. 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.

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

Wage scales for various trades and classes of work may be investigated. These material and labor costs shall be as of January 1, 2018, 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 Tax Commissioner.

24. **Commercial Valuation Schedules:** For the appraisal of 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 Tax Commissioner shall be used to determine construction classes.

25. **Improvements:** A complete physical inspection will be made of both the interior (when allowed by owner or tenant) and the exterior of all improvements. In no case may the Contractor use information from the existing records in lieu of an on-site physical inspection. This will be considered a violation of the contract. This restriction shall be adhered to and any violation will be just cause for the Assessor to cancel the employee or agent appointment and to remove him or her from the field. The Assessor may make random spot checks throughout the project to verify that inspections are being made. All inspections will be conducted between the hours of 8 A.M. and 5 P.M., Monday through Saturday, (excluding legal holidays), except some appointments may be scheduled after 5 P.M., if necessary. In no case may a card be left requesting the owner or occupant to fill in the information.

The contract goal is to inspect 100% of the interiors and exteriors of all properties. Knowing this is impractical, if the occupant is not available upon the first call, the field personnel will leave a calling card (to be provided by the Assessor) requesting the occupant to telephone a given number to advise when the occupant will be available to schedule an interior inspection. A second call must be attempted at a time agreed
upon between the Assessor and Contractor. In the event entry to the premises is refused the field personnel must make a note on the appraisal card, of the date, time and the individual contacted. In cases where no contact is possible after two attempts and/or an owner/occupant refuses to set an appropriate appointment or allow entry to the premises the Contractor shall make reasonable estimates of that property value, using professional appraisal methods and all data available to the county and field personnel.

If a building is under construction at the time of the field inspection, a notation to that effect shall be placed on the record card. A special tag shall be put on the card for future attention. Contractor will follow partial valuation worksheet as provided by the County Assessor. The Contractor shall be responsible for all new construction up to and including December 31, 2018. The Contractor shall not be responsible for construction completed after the date the field investigations are completed.

The type of construction will be recorded by component parts such as, but not necessarily limited to, foundation, basement area, wall construction, roof, floors, interior finish, heating system, fireplaces, plumbing fixtures, tiling, number of rooms, age (if obtainable), condition, physical and functional depreciation and/or economic appreciation if applicable, general quality of construction, rent (if rented), and data on sales.

Also, to be recorded will be the name or code of the person making the inspection and the date of the inspection. The record cards will be returned by the field-staff to the office or to the Contractor, where they will be priced, checked and completed from the schedules approved by the Tax Commissioner and as prescribed in Section 8 on "Manuals". Data entry specifications are to be determined by the Assessor's Office.

26. Land: Existing land values will be utilized in the valuation of all properties covered by this contract. No new land values will be estimated by the Contractor.

27. Review of Properties: A final field inspection and review of all land and buildings shall be made upon completion of field and office computations by experienced and qualified Contractor employees.

The purpose of the final review and inspection 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. Any deviation from the models shall be noted in the comment section of CAMA as well as the narrative section.

28. Property Owner Notification and Review: It will be the responsibility of the Assessor to notify the property owners of the Contractor's appraised value. This will be done after the completion of the field 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 property owner. 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 property owner for a period of no less than two (2) days, 9 a.m. to 5 p.m., Monday through Friday. These informal reviews shall be completed prior to June 30, 2019. Should the need arise, in February 2019 the Contractor shall be available for informal preliminary value meetings with taxpayers. These services will be provided at a cost of one hundred fifty dollars ($150.00) per man.
hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

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 hearing with the property owners will be scheduled by appointment.

Necessary revisions to the appraisal shall be completed before June 30, 2019. 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.

29. 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 complain and to defend the values. This service will be provided at a cost of one hundred fifty dollars ($150.00) per man hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

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 will be provided at a cost of one hundred fifty dollars ($150.00) per man hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

30. 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.

31. Photos: Digital photos will be taken of each improved parcel. These photos will be taken using digital cameras compatible with the County’s appraisal software. Photos shall be date stamped and of a pixel quality that conforms to the County standards. The photos will be taken of both the front and rear of each building, garage, and any other improvement considered to have more than incidental value.

32. 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.

33. Materials, Services and Information Provided by County:

A. Real Estate Assessment (PIN) numbering system.

B. Property sales for last three (3) years for commercial 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. On-site space and furniture for the Contractor.

34. **Residency Verification Clause:** The Contractor agrees to comply with the residency verification requirements of Neb. Rev. Stat. §4-108 through §4-114. The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

35. **Nondiscrimination Clause:** Pursuant to Neb. Rev. Stat. § 73-102, the parties declare, promise, and warrant that they have and will continue to comply fully with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C.A. § 1985, et seq.), and the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. § 48-1101, et seq., in that there shall be no discrimination against any employee who is employed in the performance of this Agreement, or against any applicant for such employment, because of age, color, national origin, race, religion, creed, disability or sex.

36. **Savings Clause:** The Agreement shall be interpreted, construed and enforced under the laws of the State of Nebraska. It is understood and agreed by the County and the Consultant hereto that if any part, term, condition, or provision of this Agreement is held to be illegal or in conflict with any law of the State of Nebraska or of the United States, the validity of the remaining parts, terms, conditions, or provisions shall not be affected, and the rights and obligations of the County and the Consultant shall be construed and enforced as if the Agreement did not contain the particular part, term, condition, or provisions held to be invalid.
Sarpy County Board

[Signature]
Chairman

Approved as to form:

[Signature]
Deputy Sarpy County Attorney

TAX VALUATIONS, INC

By: [Signature]
Contractor

1-31-18
Date
TAX VALUATION INC

PROPOSAL FOR THE VALUATION OF:

225 COMMERCIAL PARCELS
LOCATED IN
SARPY COUNTY, NEBRASKA

PREPARED FOR:

SARPY COUNTY BOARD OF COMMISSIONERS
COUNTY CLERK’S OFFICE
1210 GOLDEN GATE DRIVE – SUITE 1250
PAPILLION, NE 68046

PREPARED BY:

MATTHEW J. WILSON
&
RONALD E. ELLIOTT

TAX VALUATION INC
6101 S. 58TH St – SUITE D
LINCOLN, NEBRASKA 68516

EFFECTIVE DATE OF VALUATION: JANUARY 1, 2019
January 10, 2018

Sarpy County Board of Commissioners
Sarpy County Clerk’s Office
1210 Golden Gate Drive – Suite 1250
Papillion, Nebraska 68046

RE: Request For Proposals:
   Appraisal Services – 225 Commercial Parcels
   For The Sarpy County Assessor’s Office

Dear Commissioners:

I have reviewed the above-referenced Request For Proposals and have prepared the attached proposal. This proposal sets forth the outline for the valuation of 225 parcels with occupancy codes of 306, 311, 313, 331, 336, 342, 343, 346, 381, 384, 386, 403, 405, 416, 426, 442, 482, 483, 490, 496, 497 and 594. The total number of properties covered by this proposal is 225 parcels.

Tax Valuation Inc intends to office out of its Lincoln office, at 6101 S. 58th St., Suite D, Lincoln, NE 68516. The contact person is Matthew J. ‘Joe’ Wilson. His cell phone is 402-450-5183 and his email address is appraiserjoe@yahoo.com.

Tax Valuation Inc has always and will continue to comply with Reg-50-004, Nebraska Administrative Code, Title 350 – Nebraska Department of Revenue, Property Assessment Division. Tax Valuation Inc further agrees to comply with all State and Federal statutes and regulations related to taxation, worker’s compensation insurance and unemployment insurance.

Thank you for this opportunity to be of service.

Respectfully submitted,

Matthew J. Wilson
NE Certified General Appraiser CG920198
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Company Information

Tax Valuation Inc was incorporated in October 2014 by Matthew J. Wilson and Ronald E. Elliott. We organized as a corporation with Matthew Wilson as president and Ronald Elliott as vice-president. Linda Wilson is secretary/treasurer. We have no outstanding debt and we typically have over six figures in our bank and outstanding receivables. Matthew Wilson is a certified general appraiser in the state of Nebraska and will serve as the lead appraiser for purposes of assuming contractual responsibility.

Qualifications and References

Qualifying Experience - Firm

In the past three years, Tax Valuation Inc has completed the following projects:

- Dakota County, complete commercial valuation
- Dodge County, partial commercial valuation
- Keith County, complete commercial valuation
- Keith County, lake land and lake residential parcel valuation
- Holt County, complete commercial valuation
- Holt County, partial residential valuation
- Buffalo County, referee hearings
- McPherson County, all improved parcel valuation
- Blaine County, ag-improved parcel & commercial parcel valuation
- Thomas County, village parcel & commercial parcel valuation
- Logan County, ag-improved parcel & commercial parcel valuation
- Pick-up work for various counties including Phelps, Pawnee, Kearny, Keith, Dakota, Thomas, Blaine, Garfield, Knox and McPherson.

Qualifying Experience – Professionals

Matthew ‘Joe’ Wilson is a graduate of the University of Nebraska and has over 44 years of real estate appraisal experience, including fee appraisals on most types of property as well as ad-valorem work in Hall and Dakota Counties. Joe has a certified general appraiser certification from the State of Nebraska and a former Member of the Appraisal Institute (MAI). Attached are a copy of my certified general certification and a resume. Joe will serve as lead appraiser on the project.

Ron Elliott, a graduate of the University of Nebraska, has over 30 years of ad-valorem valuation experience. Over the years, Ron worked as a contractor for various counties including Pawnee, Otoe, Johnson, Richardson and Nemaha. He also worked for a time in the tax division of Great Plains Appraisal.
References

Jeff Curry, Dakota County Assessor
1601 Broadway St - P.O. Box 9, Dakota City, NE 68731
402-987-2101  jcurry@dakotacountyne.org

Lorissa Hartman, Thomas County Clerk
503 Main Street – P.O. Box 226, Thedford, NE 69166
308-645-2261  clerk@thomas.nacone.org

Tim Wallinger, Holt County Assessor
500 Anderson St – P.O. Box 487, O’Neill, NE 68763
402-336-1624  holtassessor.tim@holtcountyne.org

Renae Zink, Keith County Assessor
511 N Spruce Street, Ogallala, NE 69153
308-284-8040  rzink@keithcountyne.gov

Debbie Churchill, Dodge County Assessor
435 N Park Ave – Ste 202, Fremont, NE 68025
402-727-3918  debbie.churchill@dodgecounty.ne.gov

Understanding of Work

Contractor will physically inspect and record the physical characteristics of the land and improvements and collect street-level, digital photographs. Exterior inspections are required with interior inspections as needed and when permitted by the property owner/tenant. The following is a summary of the work to be completed:

-Inspect all parcels exterior and interior when applicable
-Review to verify all aspects of the record card is accurate
-Note all changes that have been made to the property
-Take digital front and back pictures of the property as well as other significant buildings or improvements
-Gather income and/or rental information as well as expense info when applicable
-Review all vacant land sales in the time period, as applicable
-Review all improved sales in the time period
-Determine residual values and determine depreciation from all areas and types
-Run an income approach and capitalization rate analysis
-Apply all information to each parcel to arrive at an assessed value
**Cost Approach:** The contractor will update sketch and characteristics of each property, including assigning the quality & condition of the improvements. The contractor can utilize the sales in the Assessor’s files to develop a depreciation schedule for use in the Cost Approach.

**Sales Comparison Approach:** The contractor will utilize the sales in the Assessor’s files to accomplish the sales comparison approach to value. The contractor can use these same sales to develop a depreciation schedule for use in the Cost Approach.

**Income Approach:** The income approach is the most reliable approach to value for income producing properties. An income approach will be completed on all commercial and industrial parcels utilizing data from the assessor’s files as well as data collected in the field.

While we do not have any specific samples of work completed for other counties because the work is the property of those counties, we do have many samples of each approach that were generated for other clients. These samples have been redacted as necessary to comply with USPAP.

This first form is a summary of the three approaches to value that is similar to one that has been utilized in some counties.
This is a sample of the type of cost estimate generated by Joe Wilson in narrative appraisal reports. The depreciation analysis is omitted because for this project, the total depreciation will be derived from the market.
Sample Cost Estimate

Replacement Cost Estimate

The replacement cost is based on Marshall Valuation Service, Section 43, Pages 1 through 10, Segregated Costs.

<table>
<thead>
<tr>
<th>COST APPROACH</th>
<th>UNITS</th>
<th>COST/UNIT</th>
<th>EST. CONTRACT COST BEFORE ADJUSTMENTS</th>
<th>EST. CONTRACT COST AFTER ADJUSTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Preparation</td>
<td>14,000 SQ. FT.</td>
<td>$0.29</td>
<td>$4,060</td>
<td>$3,977</td>
</tr>
<tr>
<td>Foundation</td>
<td>2,724 SQ. FT.</td>
<td>$2.45</td>
<td>$6,674</td>
<td>$6,537</td>
</tr>
<tr>
<td>Frame</td>
<td>2,724 SQ. FT.</td>
<td>$2.07</td>
<td>$5,639</td>
<td>$5,523</td>
</tr>
<tr>
<td>Floor Structure</td>
<td>2,724 SQ. FT.</td>
<td>$4.63</td>
<td>$12,612</td>
<td>$12,354</td>
</tr>
<tr>
<td>Floor Cover</td>
<td>2,724 SQ. FT.</td>
<td>$11.25</td>
<td>$30,645</td>
<td>$30,017</td>
</tr>
<tr>
<td>Ceiling Finish</td>
<td>2,724 SQ. FT.</td>
<td>$1.89</td>
<td>$5,148</td>
<td>$5,043</td>
</tr>
<tr>
<td>Interior Partitions</td>
<td>2,724 SQ. FT.</td>
<td>$23.26</td>
<td>$63,360</td>
<td>$62,062</td>
</tr>
<tr>
<td>Plumbing</td>
<td>2,724 SQ. FT.</td>
<td>$11.47</td>
<td>$31,244</td>
<td>$30,304</td>
</tr>
<tr>
<td>Heating, Cooling, &amp; Ventilation</td>
<td>2,724 SQ. FT.</td>
<td>$5.50</td>
<td>$15,254</td>
<td>$14,942</td>
</tr>
<tr>
<td>Electrical &amp; Lighting</td>
<td>2,724 SQ. FT.</td>
<td>$19.26</td>
<td>$52,437</td>
<td>$51,362</td>
</tr>
<tr>
<td>Exterior Wall</td>
<td>2,832 SQ. FT.</td>
<td>$7.61</td>
<td>$21,552</td>
<td>$21,110</td>
</tr>
<tr>
<td>Roof Structure</td>
<td>2,724 SQ. FT.</td>
<td>$4.98</td>
<td>$13,566</td>
<td>$13,288</td>
</tr>
<tr>
<td>Roof Cover</td>
<td>2,724 SQ. FT.</td>
<td>$7.55</td>
<td>$20,566</td>
<td>$20,145</td>
</tr>
<tr>
<td>Insulation</td>
<td>2,724 SQ. FT.</td>
<td>$1.20</td>
<td>$3,209</td>
<td>$3,202</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$286,028</strong></td>
<td><strong>$280,154</strong></td>
</tr>
</tbody>
</table>

* MULTIPLIERS

| ARCHITECT’S FEES          | 1.067 |
| CURRENT MULTIPLIER        | 1.020 |
| LOCAL MULTIPLIER          | 0.900 |

TOTAL MULTIPLIER 0.980

REPLACEMENT COST IS ESTIMATED AT $102.85 PER SQUARE FOOT OF GROSS AREA
This is a sample of the type of comparative sales grid generated by Joe Wilson in narrative appraisal reports.

Sample Sales Comparison Grid

<table>
<thead>
<tr>
<th>Subject</th>
<th>Sale 1</th>
<th>Sale 2</th>
<th>Sale 3</th>
<th>Sale 4</th>
<th>Sale 5</th>
<th>Sale 6</th>
<th>Sale 7</th>
<th>Sale 8</th>
<th>Sale 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect</td>
<td>$1,000,000</td>
<td>$1,200,000</td>
<td>$1,500,000</td>
<td>$1,800,000</td>
<td>$2,000,000</td>
<td>$2,200,000</td>
<td>$2,500,000</td>
<td>$2,800,000</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Location</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
</tr>
<tr>
<td>Condition</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td>Price Per Square Foot</td>
<td>$100</td>
<td>$120</td>
<td>$150</td>
<td>$180</td>
<td>$200</td>
<td>$220</td>
<td>$250</td>
<td>$280</td>
<td>$300</td>
</tr>
<tr>
<td>Adjustments</td>
<td>$50,000</td>
<td>$70,000</td>
<td>$100,000</td>
<td>$150,000</td>
<td>$200,000</td>
<td>$250,000</td>
<td>$300,000</td>
<td>$350,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>Adjusted Value</td>
<td>$1,450,000</td>
<td>$1,900,000</td>
<td>$1,500,000</td>
<td>$2,350,000</td>
<td>$2,200,000</td>
<td>$2,450,000</td>
<td>$2,800,000</td>
<td>$3,150,000</td>
<td>$3,400,000</td>
</tr>
</tbody>
</table>

Mean Adjusted Value

<table>
<thead>
<tr>
<th>Subject</th>
<th>Sale 1</th>
<th>Sale 2</th>
<th>Sale 3</th>
<th>Sale 4</th>
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<th>Sale 6</th>
<th>Sale 7</th>
<th>Sale 8</th>
<th>Sale 9</th>
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</thead>
<tbody>
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<td>$1,200,000</td>
<td>$1,500,000</td>
<td>$1,800,000</td>
<td>$2,000,000</td>
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<td>$2,500,000</td>
<td>$2,800,000</td>
<td>$3,000,000</td>
</tr>
<tr>
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<td>Las Vegas</td>
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<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
<td>Las Vegas</td>
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<td>Las Vegas</td>
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<td>Condition</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
<td>Good</td>
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<td>$1,900,000</td>
<td>$1,500,000</td>
<td>$2,350,000</td>
<td>$2,200,000</td>
<td>$2,450,000</td>
<td>$2,800,000</td>
<td>$3,150,000</td>
<td>$3,400,000</td>
</tr>
</tbody>
</table>

Mean Adjusted Value
On this page is a sample of the type of income analysis generated by Joe Wilson in narrative appraisal reports. On the next page is a sample of the type of income approach generated in a form report for an apartment building.

Sample Income Approach – 1 of 2

**Projected Income to the Real Estate**

<table>
<thead>
<tr>
<th>Income:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Gross Income</td>
<td>$35,580</td>
</tr>
<tr>
<td>Less Vacancy and Collection at 10%</td>
<td>$3,558</td>
</tr>
<tr>
<td>Effective Gross Income</td>
<td>$32,022</td>
</tr>
</tbody>
</table>

**Expenses:**

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Tenant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>6.0%</td>
</tr>
<tr>
<td>Reserves</td>
<td>5.0%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>11.0%</td>
</tr>
</tbody>
</table>

| Total               | $3,522 |

**Net Operating Income**

| Net Operating Income | $28,500 |

**Capitalization to Income:**

\[
\text{NOI} \div \text{Capitalization Rate} = \text{Indicated Value}
\]

\[
\frac{28,500}{0.092} = 309,778
\]

**CALLED**

$310,000

*Final Selection of Value based on Income Capitalization Approach*

Based on the Income Capitalization Approach, the preceding analysis has estimated the value of the subject property, as proposed to be $310,000.
Sample Agreement

Located in the addendum of this report is a sample contract utilized by Tax Valuation Inc. This is a sample contract only, with the final contract negotiated between the parties.

Fees

Tax Valuation Inc estimates that the entire project will require approximately five hundred (500) man hours to complete with a rate of $125 per man hour for a total contract price of approximately $62,500. The total fee for the project will be based on the total man hours necessary to complete the project. The hourly rate for protest hearings at the County Board of Equalization and/or the Tax Equalization and Review Commission is $150 per man hour, including travel time.
ADDENDUM
Resume

Matthew J. Wilson
Tax Valuation Inc
6101 S. 58th Street - Suite D
Lincoln, NE 68516
402-450-5183

PROFESSIONAL APPOINTMENTS: Nebraska Real Property Appraiser Board - 1996-2000, 2006-2010

PROFESSIONAL ASSOCIATIONS: Appraisal institute
Member of Appraisal Institute – 1994-2004 (resigned)

PROFESSIONAL LICENSES: Certified General Appraiser – State of Nebraska

PROFESSIONAL MEMBERSHIPS: National Association of Realtors
Nebraska Realtors Association
Realtors Association of Lincoln

FORMAL EDUCATION: Graduated University of Nebraska Lincoln 1971
Bachelor of Science in Business Administration

EXPERIENCE: Western Realty 1973-1980 Appraiser/Associate Broker
Wilson & Associates 1980-1982 Owner/Appraiser/Associate Broker
Trampe Appraisal 1981-1984 Appraiser
Austin Realty 1984-1986 Appraiser/Associate Broker
Trampe Appraisal 1986-1990 Residential Appraisal Manager Omaha
Wilson & Associates 1990-1992 Owner/Appraiser/Associate Broker
Great Plains Appraisal 1992-1995 Owner/President Appraiser
Wilson Appraisal Company 1995-2007 Owner/Appraiser
Joe Wilson & Company 2007-Present Appraiser
Tax Valuation Inc, 2015 – Present Owner/Appraiser
APPRAISAL EXPERIENCE: Have been doing appraisals in Nebraska for 44 years. Licensed appraiser since 1974. Have completed residential and commercial appraisals for mortgage loans, buyers, sellers, estates, relocation, eminent domain, ad-valorem taxation, litigation and foreclosures.

TEACHING EXPERIENCE: Instructor for Midwest Appraisers Association
Courses: Various Appraisal Classes
Instructor for numerous providers since 1976
Courses: Various Appraisal Classes
Instructor for Nebraska Wesleyan University Institute for Lifelong Learning
Course: Appraisal Fundamentals

RELATED EXPERIENCE: AARO/Appraisal Foundation Investigator Training
Course I – Chicago, IL November 2009
Course II – Phoenix, AZ November 2010

Officer Training School – Lackland AFB 1971

Save the Lancaster Manor Chapel - 1990
Lancaster County Assessor Task Force 1988
First Evangelical Free Church – Led various bible studies 1995-2012
This contract for appraisal services is made by and between the Sarpy County Assessor on behalf of, and with the approval of, the Sarpy County Board of Commissioners; hereinafter referred to as “the County”, and Tax Valuation Inc, 6001 S 58th St, Suite A, Lincoln, NE 68516, hereinafter referred to as “the Contractor”.

I. GENERAL PROVISIONS

1. Project Definition: The Contractor agrees to execute a complete program for revaluation of certain properties within the confines of Sarpy 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 Tax Commissioner. The Contractor shall begin the work to be performed within ninety (90) days after the execution of this contract. The Contractor shall complete its performance of this Contract on or before January 1, 2019.

2. Price: The County agrees to pay the Contractor the amount of $125.00 per man hour for an estimated five hundred (500) man hours for 225 commercial parcels located in Sarpy County Ne. The total price of the contract will be based on the total man hours to complete the work.

3. Payments: Payments shall be made for work completed on a monthly basis. The Contractor shall submit a description of the progress being made on each invoice submitted for payment. This description will be based on the number of man hours each month.

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 Tax Commissioner.

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 Tax Commissioner.

6. Submission of Completed Work: Periodically throughout the program, as appraisals are completed and finally checked by the Contractor’s supervisor, the Contractor shall submit these to the Assessor for review.

7. Penalty: Failure to complete the appraisal records and office records for the parcels included in this project by 01/01/2019, shall be cause for a penalty payment by the Contractor, at the discretion of the County, in an amount not to exceed One
Thousand Dollars ($1,000) per county business day beyond the completion date. Such penalty shall be deducted from the Contract sum owed the Contractor. The Contractor shall not be liable for damages or penalty by reason of strike, explosion, war, fire, act of God, or any act or failure to act by Terra Scan, Automated Systems or officials of the County or State of Nebraska which might delay or stop progress of the work. Should work be delayed or stopped due to any of these contingencies, the Contractor and the County shall renegotiate a revised completion date.

8. **Insurance and Workmen’s Compensation**: The Contractor shall carry automotive, public liability and workmen’s compensation insurance in the following minimum amounts: Automotive Bodily Injury, $100,000/$300,000 and Property damage, $100,000. Automotive Liability, $1,000,000; Professional Liability of $1,000,000; Workmen’s Compensation Statutory. Upon request, written proof of insurance from Zimmer Insurance Agency shall be furnished to the County establishing the above liability coverage. The performance bond required for this contract will be supplied by the 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 agrees to comply with all state, federal and local laws and regulations related to performance of this contract.

11. **Quality and Progress Control**: If at any time during the contract period the quality and/or progress of the work shall not be satisfactory the County reserves the unilateral right to terminate the contract upon written notice to the Contractor. In the event the Contract is terminated, the County reserves the right to take possession of all completed work, work in progress, material, data and statistical analysis. The County shall be liable only for the reasonable value of the services rendered by the Contractor and Subcontractor prior to the date of the notice and in no event shall the sum be greater than the ratio of completed work to the whole project. Values shall be set at market value and the Contractor will strive to achieve a median assessment/sales ratio of between 92% and 100%, a Coefficient of Dispersion of 20% or less for commercial properties, and a Price Related Differential between .98 and 1.03 unless otherwise agreed upon between the Contractor and the Assessor.

12. **Interpretations and Specifications and Contract**: The Assessor will be the interpreter of the specifications and the Contract.

13. **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.
14. **Independent Contractor Representation:** The implementation of this agreement does not constitute a hiring by either party. It is therefore the intention of the parties that the Contractor shall maintain an independent contractor status and shall not be considered an employee for any purpose, including, but not limited to, the application of the Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act, provisions of the Federal Internal Revenue Code, State Revenue and Taxations Code relating to income tax withholding, Workers’ Compensation Insurance and other benefit payments and third party liability claims.

## II. **Contract Specifications**

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

   A. 225 commercial parcels with occupancy codes of 306, 311, 313, 331, 336, 342, 343, 346, 381, 384, 386, 403, 405, 416, 426, 442, 482, 483, 490, 496, 497 and 594. The valuations shall use methods, forms, and manuals authorized by the Tax Commissioner and the Department of Property Assessment and Taxation.

16. **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 all land analysis, if required for the contract, 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, and c) total review to establish economic and physical depreciation.

17. **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.

18. 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.

19. 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. Additionally, the Contractor agrees to supply to the Assessor a copy of a narrative report detailing the valuation process by class of property that is compliant with Nebraska Department of Revenue Regulation 50-004.11 and compliant with USPAP.

20. 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.

21. Property Records: The Assessor shall furnish property records. The Contractor or Subcontractor 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 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.

22. **Manuals:** If necessary, the Contractor must use the manuals presently prescribed by the Tax Commissioner. 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.

23. **Development of Unit Costs:** The Contractor shall make a careful inspection of the commercial construction costs in Sarpy County. Prices of materials in various quantities and qualities may be obtained from local materials dealers. Wage scales for various trades and classes of work may be investigated. These material and labor costs shall be as of January 1, 2018, 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 Tax Commissioner.

24. **Commercial Valuation Schedules:** For the appraisal of 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 Tax Commissioner shall be used to determine construction classes.

25. **Improvements:** A complete physical inspection will be made of both the interior (when allowed by owner or tenant) and the exterior of all improvements. In no case may the Contractor use information from the existing records in lieu of an on-site physical inspection. This will be considered a violation of the contract. This restriction shall be adhered to and any violation will be just cause for the Assessor to cancel the employee or agent appointment and to remove him or her from the field. The Assessor may make random spot checks throughout the project to verify that inspections are being made. All inspections will be conducted between the hours of 8 A.M. and 5 P.M., Monday through Saturday, (excluding legal holidays), except some appointments may be scheduled after 5 P.M., if necessary. In no case may a card be left requesting the owner or occupant to fill in the information.

The contract goal is to inspect 100% of the interiors and exteriors of all properties. Knowing this is impractical, if the occupant is not available upon the first call, the field personnel will leave a calling card (to be provided by the Assessor) requesting the occupant to telephone a given number to advise when the occupant will be available to schedule an interior inspection. A second call must be attempted at a time agreed
upon between the Assessor and Contractor. In the event entry to the premises is refused the field personnel must make a note on the appraisal card, of the date, time and the individual contacted. In cases where no contact is possible after two attempts and/or an owner/occupant refuses to set an appropriate appointment or allow entry to the premises the Contractor shall make reasonable estimates of that property value, using professional appraisal methods and all data available to the county and field personnel.

If a building is under construction at the time of the field inspection, a notation to that effect shall be placed on the record card. A special tag shall be put on the card for future attention. If the construction is basically complete, the value shall be determined as if it were complete. The Contractor shall be responsible for all new construction up to and including December 31, 2018. The Contractor shall not be responsible for construction completed after the date the field investigations are completed.

The type of construction will be recorded by component parts such as, but not necessarily limited to, foundation, basement area, wall construction, roof, floors, interior finish, heating system, fireplaces, plumbing fixtures, tiling, number of rooms, age (if obtainable), condition, physical and functional depreciation and/or economic appreciation if applicable, general quality of construction, rent (if rented), and data on sales.

Also, to be recorded will be the name or code of the person making the inspection and the date of the inspection. The record cards will be returned by the field-staff to the office or to the Contractor, where they will be priced, checked and completed from the schedules approved by the Tax Commissioner and as prescribed in Section 8 on “Manuals”.

26. Land: N/A

27. Review of Properties: A final field inspection and review of all land and buildings shall be made upon completion of field and office computations by experienced and qualified Contractor employees.

The purpose of the final review and inspection 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.

28. Property Owner Notification and Review: It will be the responsibility of the Assessor to notify the property owners of the Contractor’s appraised value. This will be done after the completion of the field 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 property owner. 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 property owner for a period of no less than two (2) days, 9 a.m. to 5 p.m., Monday through Friday. These informal reviews shall be completed prior to June 30, 2019. This service will be provided at a cost of one hundred fifty dollars ($150.00) per man hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

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 hearing with the property owners will be scheduled by appointment.

Necessary revisions to the appraisal shall be completed before June 30, 2017. 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.

29. **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 complaints and to defend the values. This service will be provided at a cost of one hundred fifty dollars ($150.00) per man hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

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 will be provided at a cost of one hundred fifty dollars ($150.00) per man hour, including drive time. This hourly rate will include mileage and food, but not motel expenses if applicable.

30. **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.

31. **Photos**: Digital photos will be taken of each improved parcel. These photos will be taken using digital cameras compatible with the County’s appraisal software. The photos will be taken of both the front and rear of each building, garage, and any other improvement considered to have more than incidental value.

32. **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.

33. **Materials, Services and Information Provided by County**:

   A. Real Estate Assessment (PIN) numbering system.

   B. Property sales for last three (3) years for commercial 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. On-site space and furniture for the Contractor.

___________________________  ______________
Sarpy County Assessor      Date

Sarpy County Board

___________________________  ______________
Chairman                    Date

___________________________  ______________
Member                      Date

___________________________  ______________
Member                      Date
SARPY COUNTY, NEBRASKA

REQUEST FOR PROPOSALS

Appraisal Services - Commercial & Industrial
For the Assessor's Office

REVISED

PROPOSALS DUE:
3:00 p.m., Tuesday, January 23, 2018
General Information

Notice to Appraisal Professionals

Sarpy County is seeking proposals for Appraisal Services - Commercial & Industrial for the Assessor’s Office. The successful Vendor will enter into a Contract that incorporates both the RFP along with the submitted proposal for a period commencing upon Board approval until December 31, 2018.

Proposals will be received Monday through Friday 8:00 a.m. to 4:45 p.m. except holidays, until 3:00 p.m., January 23, 2018. Proposals shall be mailed to the Sarpy County Board of Commissioners.

Requests for information and clarification questions must be received by January 11, 2018 at 12:00 p.m. in order for Sarpy County to have time to issue an addendum.

Proposal criteria must be received from Beth Garber, Purchaser, 1210 Golden Gate Drive, Suite 1220, Papillion, NE 68046, (402) 593-4476, bgarber@sarpy.com or via the internet at www.sarpy.com.

Appraisers that obtain specifications from the internet sites are responsible for obtaining any addenda that may be added at a later time.

Proposals must be sent to:
Sarpy County Board of Commissioners
County Clerk’s Office
1210 Golden Gate Drive, Suite 1250
Papillion, NE 68046

Proposals not addressed and delivered to the above person will not be considered. Proposals received after the above stated time and date will not be considered.

All proposals submitted shall be valid for a period of ninety (90) days following the final date for submission of proposals.

Sarpy County will not be liable for costs incurred by Vendors for proposal preparation, printing, demonstration, or any other costs associated with or incurred in reliance on proposal creation. All such costs shall be the responsibility of the Vendor.

The proposal shall include all charges and applicable taxes, F.O.B. Destination, freight prepaid, Sarpy County, Nebraska. The Vendor need not include sales tax in the bid. Sarpy County will, upon request, furnish the successful Vendor with a completed State of Nebraska Tax Exempt Form 13 upon acceptance of the successful Vendor’s proposal.

The Sarpy County Board of Commissioners reserves the right to reject any or all bids and to waive minor informalities.

In the event of conflict between unit price and extended price, unit price shall prevail.
**Procedures for Evaluation and Awarding of Bid**

Evaluation will be done by Beth Garber, Sarpy County Purchaser along with personnel from the Assessor's Office. After evaluation, the Purchaser will make a recommendation to the County Board of Commissioners for award. This recommendation and pending award will be made at a public meeting of the Board of Commissioners. Agendas are available each Friday afternoon on our internet site www.sarpy.com. The Commissioners award the bid by majority vote.

The following factors will be used to consider the award of the bid, where applicable:

a) Compliance with all requirements.
b) Price.
c) The ability, capability, and skills of the Vendor to perform.
d) The character, integrity, reputation, judgment, experience, and efficiency of the Vendor.
e) The quality of previous performance.
f) Whether the Vendor can perform within the time specified.
g) The previous and existing compliance of the supplier with laws.
h) The life-cost of the personal property or services in relation to the purchase price and specified use.
i) The performance of the personal property or service taking into consideration any commonly accepted tests and standards of product, service, usability and user requirements.
j) The energy efficiency ratio as stated by the supplier.
k) The life-cycle costs between alternatives for all classes of equipment, the evidence of expected life, the repair and maintenance costs, and the energy consumption on a per year basis.
l) Such other information as may be secured having a bearing on the decision.

Following County Board approval, the signed appraisal contract will be forwarded to the Tax Commissioner for approval. No appraisal contract is valid unless approved, in writing, by the Tax Commissioner.

**Terms and Conditions**

1. **Information, Discussion and Disclosures**

   Any information provided by Sarpy County to any Vendor prior to the release of this Request for Proposal (“RFP”), verbally or in writing, is considered preliminary and is not binding on Sarpy County.

   The Vendor must not make available nor discuss any cost information contained in the proposal to or with any employee of Sarpy County from the date of issuance of this RFP until the contract award has been announced, unless allowed by the Sarpy County Purchasing Department, in writing, for the purpose of clarification or evaluation.

   No interpretation of the meaning of the specifications, or other bidding documents, or correction of any ambiguity, inconsistency, or error therein will be made orally to any Vendor.

   Every request for such interpretation or correction should be in writing, addressed to the Sarpy County Purchaser, Beth Garber, 1210 Golden Gate Drive, Suite 1220, Papillion, NE 68046 or
Requests must be received by January 11, 2018 at 12:00 p.m. in order for Sarpy County to have time to issue an addendum. Requests received after deadline may not be considered. In case Sarpy County finds it expedient to supplement, modify, or interpret any portion of the bidding documents prior to the proposed bid date, such procedure will be accomplished by the issuance of written addenda to the RFP, which will be mailed or delivered to all prospective Vendors at the respective addresses furnished for such purpose.

2. Addenda

All addenda will become part of this RFP and must be responded to by each Vendor.

All addenda must be acknowledged in writing in the bid submitted by the Vendor.

This RFP, any subsequent addenda, and any written responses to questions take precedence over any information previously provided.

3. Confidentiality of Documents

Sarpy County considers all information, documentation and other materials requested to be submitted in response to this proposal to be of a non-confidential and/or non-proprietary nature and therefore shall be subject to public disclosure under Neb. Rev. Stat. § 84-712.05(3).

Vendors are hereby notified that Sarpy County strictly adheres to all statutes, court decisions, and opinions of the Nebraska Attorney General with respect to disclosure of RFP information.

Any “proprietary, trade secret, or confidential commercial or financial” information must be clearly identified, in a separate sealed envelope, at the time of bid/proposal submission. Pricing information is not considered financial information and therefore is not considered Confidential. Please note: even if Vendor believes pricing information is confidential and includes it in a separate, sealed envelope, such information will be read aloud and entered into record during the public bid opening. For all other appropriately identified proprietary, trade secret, or confidential commercial or financial information, the Vendor will be required to fully defend, in all forums, Sarpy County’s refusal to produce such information; otherwise, Sarpy County will make such information public upon request.

4. Non-Discrimination Clause

Pursuant to Neb. Rev. Stat. §73-102 (Reissue 2009), Vendor declares, promises, and warrants it has and will continue to comply fully with Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C.A. §1985, et seq.), and the Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §48-1101, et seq. (Reissue 2010), in that there shall be no discrimination against any employee who is employed in the performance of this Contract, or against any applicant for such employment, because of age, color, national origin, race, religion, creed, disability or sex.

5. Conflict of Interest Clause

Pursuant to Neb Rev. Stat. §23-3113 (Reissue 2012), the parties hereto declare and affirm that no officer, member, or employee of the County, and no member of its governing body, and no
other public official of the County who exercises any functions or responsibilities in the review or approval of the undertaking described in this Contract, or the performing of services pursuant to this Contract, shall participate in any decision relating to this Contract which affects his or her personal interest, or any corporation, partnership, or association in which he or she is directly or indirectly interested; nor shall any employee of the County, nor any member of its governing body, have any interest, direct or indirect, in this Contract or the proceeds thereof.

6. Payment Terms

The successful Vendor shall submit monthly invoices for payment. Sarpy County will make payment to the successful Vendor within thirty (30) days after receipt of invoice.

7. Supplemental Terms and Conditions/Modifications

Any supplemental terms, conditions, modifications, or waiver of these terms and conditions must be in writing and signed by the Sarpy County Board Chairman and the Vendor.

8. Term

The Contract will commence upon Board approval until December 31, 2018.

9. Termination

Either party may terminate the Contract with ninety (90) days' written notice to the other.

10. Residency Verification

The Vendor agrees to comply with the residency verification requirements of Neb. Rev. Stat. §4-108 through §4-114. The Vendor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Vendor is an individual or sole proprietorship, the following applies:

The Vendor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.

a) If the Vendor indicates on such attestation form that he or she is a qualified alien, the Vendor agrees to provide the U.S. Citizenship and Immigration Services documentation required to verify the Vendor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
b) The Vendor understands and agrees that lawful presence in the United States is required and the Vendor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. Sect. 4-108.

11. Breach

Should Vendor breach, violate, or abrogate any term, condition, clause or provision of this agreement, the County shall notify Vendor in writing that such an action has occurred. If satisfactory provision does not occur within ten (10) days from such written notice the County may, at its option, terminate this agreement and obtain an alternate provider to provide all required materials. This provision shall not preclude the pursuit of other remedies for breach of contract as allowed by law.

12. Insurance Requirements

The Vendor shall not begin work under this Agreement until all insurance certificates have been filed with the Sarpy County Clerk.

Vendor shall not commence work on this Contract until he/she has obtained all insurance required under this Section and such insurance has been approved by Sarpy County, nor shall Vendor allow any subcontractors to commence work on his/her subcontract until similar insurance required of the subcontractor has been so obtained and approved.

The following insurance coverages shall be kept in force during the life of the Contract and shall be primary with respect to any insurance or self-insurance programs covering the County, its commissioners/supervisors, officials, agents, representatives and employees. These insurance coverages shall specifically state, or be endorsed to state, that thirty (30) days’ notice shall be given to the County in the event of cancellation of, or material change in, any of the coverages.

Workers’ Compensation and Employers Liability Insurance

The minimal acceptable limits shall be the statutory limits as required by the State of Nebraska for Coverage A, Workers’ Compensation and $500,000 each accident for Coverage B, Employers Liability.

Commercial General Liability Insurance

Coverage should include broad form coverage written on a commercial general liability form and written on an occurrence basis. The coverage must protect against claims for damages resulting from bodily injury, including death, personal injury and property damage.

The minimum acceptable limits of liability shall be $1,000,000 each occurrence. If the coverage contains a general aggregate, such limit shall not be less than $2,000,000. The products/completed operations limit shall not be less than $2,000,000. The County is to be named as an additional insured on the insurance coverage required under this section.
Automobile Liability Insurance

Coverage shall be against claims for damages resulting from bodily injury, including death and property damage, which may arise from the operations of any owned, hired or non-owned automobile. The minimum acceptable limit of liability shall be $1,000,000 Combined Single Limit for each accident. The County is to be named as an additional insured on the insurance coverage required under this section.

Professional Liability Insurance

During the course of services provided for by this Agreement, Vendor shall maintain Professional Liability insurance with a minimum coverage of $1,000,000 annually.

Certificate of Insurance

The Vendor shall furnish the County with a certificate(s) of insurance evidencing the coverages required in this section. If the certificate(s) is shown to expire prior to completion of all the terms of this Contract, the Vendor shall furnish a certificate(s) of insurance evidencing renewal of its coverage to the County. The County is to be included as an additional insured on the Commercial General Liability and the Automobile Liability insurance coverage required under this section.

The Vendor shall require each and every Subcontractor performing work under this Contract to maintain the same coverages required of the Vendor in this Section, and upon the request of the County, shall furnish the County with a certificate(s) of insurance evidencing the Subcontractor’s insurance coverages required in this section.

Insurance Company

All insurance coverages herein required of the Vendor shall be written by an insurance company or companies transacting business as an admitted insurer in the State of Nebraska or under the Nebraska Surplus Lines Insurance Act. All insurance companies must possess a minimum A.M. Best Insurance Company rating of A-. Upon request by the County, the Vendor shall furnish evidence that the insurance company or companies being used by the Vendor meet the minimum requirements listed in this section.

Upon request by the County, the Vendor shall furnish the County with complete and accurate copies of the insurance policies required within this section. If at any time during the life of this Contract, the Vendor’s insurance coverages and limits do not meet or exceed the minimum insurance requirements presented in this section, the Vendor is required to notify the County within thirty (30) days of any deviations from the minimum requirements presented in this section.

13. Assignment

The Vendor may not assign this Contract without the prior written consent of the County and the Tax Commissioner.
14. Subcontracting

Vendor may not subcontract the work to be performed, without prior written consent of the County. If such consent is granted, Vendor will retain responsibility for all work associated with the Contract. The Vendor must identify any subcontractors it intends to use in the execution of this Contract. The Vendor must identify subcontractors in writing within the proposal.

15. Independent Contractor

The Vendor shall in the performance of the Contract at all times be an independent contractor and not an employee or agent of the County. The Vendor, its officers, employees and agents shall at no time represent the Vendor to be other than an independent contractor or represent themselves to be other than employees of the Vendor.

The Appraisal Firm shall not be liable for damages by reason of strike, explosion, war, fire acts of God, or any act or failure to act by officials of the County or State which might delay or stop progress of the work. Should any of the above occur, a new completion date would be renegotiated between the County and Appraisal Firm as approved by the County Board.

16. Indemnity

The Vendor shall indemnify and save harmless Sarpy County, its officers, employees and agents from all loss, claims, suits or actions of every kind and character made upon or brought against Sarpy County, its officers, employees, or agents, for or sustained by any party or parties as a result of any act, error, omission or negligence of said Vendor or its servants, agents, and subcontractors; and also from all claims of damage in fulfilling this Contract.

17. Deviations

Once the proposal has been accepted by Sarpy County, no deviations from the specifications will be accepted without prior written approval between Sarpy County and the Appraisal Firm.

18. Exceptions

These specifications are minimum acceptable specifications. You may propose other than what is specified if it is of higher specification than what is requested. Vendor must list any exceptions to the specifications within their proposal.

19. Tobacco Free Notice

The use of tobacco is not permitted within the facilities or on the property of leased and owned Sarpy County buildings at any time including, but not limited to lawns, sidewalks, parking lots and vehicles on authorized County business.

Overview and Background

The staff of the Sarpy County Assessor’s Office has historically performed all statutory responsibilities assigned to the Assessor. However, the Assessor’s office has experienced
difficulties in finding and hiring the necessary talent to perform real property appraisal work on the class of properties known as commercial and industrial. It is in the best interest of the County to maintain the valuation of commercial and industrial real property at acceptable levels of assessment in order to fulfill statutory requirements and help to ensure equalization of the property tax burden.

Circumstances require that the Assessor seek assistance from non-governmental sources in meeting statutory requirements in the class of properties known as commercial and industrial.

Project Objective

It is the objective of the Assessor to solicit the services of independent real estate appraisal professionals, within the confines of the 2018 operating budget, to value for tax year 2018 certain commercial and industrial parcels identified by the Sarpy County Assessor. By this method, the Assessor will meet the statutory requirements of 77-1311.03 for tax year 2019. It is the intention of the Assessor to follow the processes prescribed by the Sarpy County Purchasing Department in order to properly obtain bids for services.

Definition of the Appraisal Problem

The date of the appraisals will be as of January 1st of 2019. The purpose of the appraisal is to determine an assessed value for property taxation and the intended use of the appraisals is for same. Appraised values are to reflect all of the rights of absolute ownership (fee simple).

The Assessor will provide to the contractor the legal description and parcel identification number (PIN) for all parcels to be physically inspected and valued. The Assessor will provide parcel information through remote access to the Computer Assisted Mass Appraisal Software. Further parcel information will be available to the contractor through direct access to the Sarpy County Geographical Information System (GIS), Pictometry Oblique Aerial Imagery, and Property Search for photos and sketches. The County Assessor will enter all data into the County system.

Scope of Work

Appraisal and assessment processes are performed in the year prior to the tax year. Consequently, the desired appraisal services must be performed in the year 2018 for reporting year 2019. The following are the property occupancy codes that must be re-valued during 2019.

<table>
<thead>
<tr>
<th>Marshall &amp; Swift Occupancy Codes</th>
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<tr>
<td>Code</td>
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<td>343</td>
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<td>346</td>
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The following will be the required services provided to the Sarpy County Assessor’s Office by an independent contractor for “re-valuation” of the above stated occupancy codes.

1. **Preliminary Survey and Planning**
   The Assessor will attempt to collect operating information on the occupancies to be valued through the mailing of questionnaires to property owners. Information received as a result of the questionnaires or any other source will be conveyed to the contractor.

2. **Data Collection and Analysis**
   **General Data:** All general information possessed by the Assessor regarding the cities and regions of the County will be shared with the contractor. As well as local information on construction costs, rental, expense, and vacancy data.

   **Specific Data:** All legal descriptions, situs addresses, physical characteristics, digital photos, and contact information will be shared with the contractor. Contractor will physically inspect and record the physical characteristics of the land and improvements and collect street-level, digital photographs. Exterior inspections are required with interior inspections as needed and when permitted by the property owner.

   **Comparative Data:** The Assessor maintains a sales database for the purpose of input to the state sales file. Further, the Assessor will from time-to-time create spreadsheets of comparative sales data. Income and expense data may also be available in spreadsheet form. The contractor will have access to the Sarpy County sales database and to spreadsheets relevant to the valuation process.

3. **Assessment Approaches**
   **Cost Approach:** Updated Marshall & Swift Costing Software is integrated into the TERRA SCAN CAMA Software. Sarpy County relies primarily on the income approach to value. However, a cost approach to value will also be necessary for our assessment processes.
**Sales Comparison Approach:** Sales of real estate in Sarpy County are filed with the Register of Deeds Office. These filings are shared with the Assessor who conducts a sales verification process. Sales considered to be arms-length transactions become part of the sales database used by the Department of Revenue to compare assessed values and perform statistical analysis. These same sales are used by the Assessor to accomplish the sales comparison approach to value. It should be noted that the Assessor is restricted as to the time of valid sales and the location of sales used in market analysis.

**Income Approach:** Sarpy County considers the income approach to be the most reliable approach to value for income producing properties. An income approach is performed on all commercial and industrial parcels. The cost approach may be relied upon in the case of special use parcels or the absence of sales or sufficient income data.

4. **Correlation/Reconciliation of Indicated Values**

Statistical analysis to determine appraisal uniformity will be performed by the Assessor on all assessed values before being deemed acceptable as final values.

   a. Level of assessment between .92 and 100 percent.
   b. Large income producing properties with a Coefficient of Dispersion (COD) range of 5.0 to 15.0.
   c. Small income producing properties with a COD range of 5.0 to 20.0
   d. Vacant land with a COD range of 5.0 to 25.0
   e. Price Related Differential (PRD) will be between .98 and 1.03.

Final correlation and reconciliation must be completed by November 1st as the Assessor must data enter all changes to include sketches. All working files must be provided to the Assessor to include all data used to develop valuation models. Files should be provided to the Assessor as completed.

5. **Final Values**

Satisfactory appraisal uniformity statistics as defined in 4. Correlation/Reconciliation of Indicated Values will result in the acceptance by the Assessor of the contractors appraisal work as successfully completed. A narrative must be provided to the Assessor, which contains an explanation of the steps taken to arrive at an estimate of value to include the process for deriving capitalization rates and operating expenses.

6. **Legal Considerations**

The duties of the County Assessor are enumerated by state statutes and regulations. Contracts with service providers are also covered by state statutes and are subject to approval of the Nebraska Department of Revenue. The selected contractor must comply with all State Statutes and Department of Revenue regulations, including REG-50-003. Further, all manuals and guides prescribed by the County Assessor shall be followed by the Appraisal Firm.

Appraisal firms must follow a strict Code of Ethics where if any perceived conflict of interest occurs the appraiser must inform the County in writing and withdrawal from appraisal services for that property.
7. Performance Standards

See #5 Correlation/Reconciliation of Indicated Values.
The Assessor is held to certain deadlines as determined by state statute, as defined below. In order to meet these deadlines the Assessor will require the completion of particular phases of assessment process in order to prepare reports and documents prescribed by the State. Reporting of values in spreadsheet form as prescribed by the Assessor including a brief narrative on each occupancy code. Should the selected appraisal firm miss any of the below deadlines, there will be liquidated damages of $500 per calendar day of non-completion. Selected appraisal firm shall submit, to the County Assessor, monthly status updates in an agreed upon form.

Appraisal Firm shall be required to issue proposed valuation changes and be available to hold informal meetings with property owners or lessees that are responsible for paying the property taxes pursuant to Neb. Rev. Stat. Section 77-202.11, regarding the proposed valuations.

Sarpy County shall be responsible for issuing the formal notice of valuation change for an appraisal or update. However, the Appraisal Firm shall defend its resulting values if protests are filed with the County Board of Equalization or appeals are filed with the Tax Equalization and Review Commission (TERC) pursuant to Neb. Rev. Stat., Section 77-5013.

The Appraisal Firm shall supply as many copies of the narrative appraisal report to the County as may be agreed upon, which, together with all appraisal files, records, maps or other data used in the appraisal shall be and remain the property of the County.

The Appraisal Firm shall be responsible for furnishing their own office space and furniture along with any needed equipment and transportation.

Completion Dates and Time Constraints

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<tr>
<th>Date</th>
<th>Duty</th>
<th>Authority</th>
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<tbody>
<tr>
<td>January 1st</td>
<td>Assessment of Real Property (List &amp; Value)</td>
<td>77-1301</td>
</tr>
<tr>
<td>January 15th</td>
<td>County Assessor must provide preliminary valuation change</td>
<td>77-1301</td>
</tr>
<tr>
<td>January 15 to March 1</td>
<td>Assessor provides the opportunity for owners of real property to meet with the County Assessor’s Office to review the property record card file and assessed value determined for the current year.</td>
<td>77-1311</td>
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<tr>
<td>February 1st</td>
<td>Deadline for property owners to notify the County Assessor of their intent to meet in person with the County Assessor’s Office regarding the assessed value for the current year.</td>
<td>77-1311</td>
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March 25th | The Assessor must have inspected and reviewed a portion of the real property parcels in the County so that all real property parcels in the County are inspected and reviewed no less than every 6 years. March 25, 2014 completes the first six year cycle. | 77-311.03

March 25th | The County Assessor must certify the County abstract of assessment of real property with the Property Tax Administrator. | 77-1514

April 9th | Property Tax Administrator provides reports & opinions for each county regarding the level of value and the quality of assessment for the tax equalization and review commission. | 77-1514 77-5027

May 15th | Last day for the tax equalization and review commission to adjust the valuation of a class or sub class of real property. | 77-5028

June 1st | County Assessor publishes a notice in the newspaper certifying that the assessment roll is complete, notices of valuation changes have been mailed, and the final date for filing valuation protests with the County Board of Equalization. | 77-1315

June 1st | County Assessor sends notices of valuation change to the owner of record as of May 20th of any property that had an increase or decrease in value. | 77-1315

June 5th | If the TERC ordered changes, the County Assessor recertifies the abstract of assessment for real property to the Property Tax Administrator. | 77-5029

June 6th | County Assessor mails assessment sales ratio statistics, as determined by the TERC, to the media and posts them in the office. | 77-5028

June 30th | Deadline for an individual to file a property valuation protest with the County Clerk. | 77-1502

**Minimum Qualifications**

Responses to the RFP are sought only from experienced Appraisers who can demonstrate their ability to perform and who have personnel with a proven track record of success in providing appraisal services. As such, proposals must demonstrate that the Appraiser meets the following minimum qualifications to be eligible for consideration:

1. Appraiser(s) must be licensed in the State of Nebraska and be a certified appraiser
2. Appraiser(s) must have a minimum of five (5) years’ experience and a proven track record of providing commercial appraisal services involving commercial and industrial properties for governmental clients.

3. If firm, organization or company, a Lead Appraiser must be assigned to the contract and responsible for coordination and execution of work.

Proposal Content

Firms/Appraisers shall include all of the following information in their written Proposal. Responsive proposals should provide straightforward, concise information that addresses the requirements noted below. Expensive bindings, color displays and the like are not necessary or desired. Each page should be numbered. Emphasis should be placed on providing materials that conform to the Scope of work.

A. Transmittal Letter

Proposals must include a transmittal letter signed by an official authorized to solicit business and enter into contracts for the firm. The letter shall include the name of the firm, address of proposed office, contact person, telephone number and email address. The Transmittal Letter should specifically state the appraisal firm meets the qualifications as identified in REG-50-004. The Transmittal Letter should also state that the appraisal firm agrees to comply with all State and Federal statutes and regulations related to taxation, worker’s compensation insurance and unemployment insurance.

B. Table of Contents

Proposals must include a table of contents that includes a clear identification of the material by section and page number.

C. Company/Firm Information

Proposals must include the name of the business entity, details of the entity’s business structure (i.e., corporation, partnership, LLC), organization chart, statement(s) on financial integrity of all entities related to the company/firm or joint venture that will be involved in the contract, location of offices, number of licensed appraisers employed by the company/firm.

If a partnership or joint venture is expected, the proposal must specify who will act as the lead for the purposes of assuming contractual responsibility. All subcontractors need to be identified within the submitted proposal including anticipated project role and previous joint experience. All subcontractors are required to have the same qualifications as the lead firm.

D. Qualifications and References

1. Qualifying Experience – Firm: Describe the firm’s qualifications specific to the requirements in this RFP. Include a listing of governmental entities in Nebraska in which the firm has provided appraisal services for in the last thirty six (36) months.
2. **Qualifying Experience – Professionals**: Provide the name and title of the Lead Appraiser responsible for the coordination and execution of work, other key real estate professionals and any other professional that will be assigned to this contract including resumes of education, experience and qualifications related to experience, copies of licenses, contact information and area of responsibility in serving the contract. The Lead Appraiser shall have not less than five (5) years of practical appraisal experience involving extensive appraisals of the types of property to be appraised. The Lead Appraiser shall also be a member in good standing of a recognized professional appraisal organization which requires educational standards, passage of a comprehensive examination and a demonstration of ability to perform an appraisal as qualifications of membership.

3. **References**: Provide the names, addresses, telephone numbers and email addresses of five (5) references/clients that have received similar services at some point in the past two (2) years.

**E. Understanding of Work**

Proposal must contain a detailed description of how the consultant proposes to carry out the requirements set forth in this RFP. Part of the description should include individual appraiser work samples to document each competency. Each sample should be labeled with the appraiser’s name.

The contractor shall provide an outline or flow-chart of their valuation plan and timeline.

**F. Sample Agreement**

If available, attach the standard agreement proposed to be used for this RFP. The proposed agreement must take into account this RFP along with the proposal submitted by the Consultant. Proposals shall also include a current insurance certificate.

**G. Fees**

Provide the estimated number of hours along with the hourly rate for appraisal services for (1) commercial appraisal services and (2) industrial appraisal Services. Consultant shall also provide hourly rate for protest hearings at the County Board of Equalization and/or Tax Equalization and Review Commission.
Statement of Understanding

**MUST SUBMIT PRIOR TO PROPOSALS BEING RECEIVED BY COUNTY BOARD**

This form must be submitted to the below email prior to submitting any bid proposal for appraisal services. Failure to submit this form will result in automatic proposal rejection.

It is hereby certified by a duly authorized representative of the appraisal firm that the requirements of the appraisal regulations are read and understood. It is further certified that the appraisal firm is able and willing to comply with all of the requirements of the appraisal regulations.

________________________________________  ______________________________________
Authorized Representative Signature        Appraisal Firm

________________________________________  ______________________________________
Authorized Representative Name             Address

________________________________________  ______________________________________
Address

________________________________________  ______________________________________
Phone Number

________________________________________  ______________________________________
Email Address

Email this page only to:
Beth Garber
bgarber@sarpy.com
(402) 593-4476
**CERTIFICATE OF LIABILITY INSURANCE**

**PRODUCER:** Zimmer Insurance Group  
3230 S. 13th St.  
Lincoln, NE 68502-4595

**INSURED:** Tax Valuation Inc. % Joe Wilson  
6101 S 58th St.Ste D  
Lincoln, NE 68516

**INSCRIBER A:** Sentinel Insurance Company Ltd  
**INSCRIBER B:** Trumbull Insurance Company  
**INSCRIBER C:**  
**INSCRIBER D:**  
**INSCRIBER E:**  
**INSCRIBER F:**

**INSURER(S) AFFORDING COVERAGE:**
- Insurer A: Sentinel Insurance Company Ltd  
- Insurer B: Trumbull Insurance Company  
- Insurer C:  
- Insurer D:  
- Insurer E:  
- Insurer F: 

**COVERAGE:**

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<td>EACH OCCURRENCE $1,000,000</td>
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<tr>
<td>A</td>
<td>WORKERS COMPENSATION</td>
<td>E.L. EACH ACCIDENT $500,000</td>
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**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES:**

Sarpy County Assessor/Sarpy County Board of Commissioners is listed as an additional insured on the General Liability.

**DATE (MM/DD/YYYY):** 02/01/2018

**CERTIFICATE OF LIABILITY INSURANCE**

**INSURER(S) AFFORDING COVERAGE:**
- Insurer A: Sentinel Insurance Company Ltd  
- Insurer B: Trumbull Insurance Company  
- Insurer C:  
- Insurer D:  
- Insurer E:  
- Insurer F: 

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**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES:**

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**CERTIFICATE HOLDER:** Sarpy County Assessor & Sarpy County Board of Commissioners  
1210 Golden Gate Ave  
Papillion, NE 68046

**CANCELLATION:**

Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**AUTHORIZED REPRESENTATIVE:**

Jodi Newman-Schliefert  
(jschliefert@zimmerinsure.com)

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